

**STANDARDIZED LICENSE AGREEMENT**

**BETWEEN**

**THE TRUSTEES OF THE TANZANIA NATIONAL PARKS**

**AND**

**M/S SELOUS SAFARI COMPANY LIMITED**

## STANDARDIZED LICENSE AGREEMENT

This License Agreement is made this 1<sup>st</sup> day of November 2020.

BETWEEN

**THE TRUSTEES OF THE TANZANIA NATIONAL PARKS** Established under Tanzanian law, whose registered office is at Burka Complex, Dodoma Road, Post Office Box 3134, Arusha (hereinafter called the "LICENSOR") of the One Part

AND

**M/S SELOUS SAFARI COMPANY LIMITED,  
NKURUMA / GEREZANI STREET,  
P.O.BOX 1192,  
DAR ES SALAAM.**

(Hereinafter called the "Licensee") of the Other Part

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### WHEREAS:

- A: In terms of the provisions of section 17 (2 ) (d) and (e) of the National Parks Act, CAP 282 R.E 2002 (hereinafter called the " Act"), the LICENSOR may, inter alia, recommend sites suitable for the construction/erection and operation, by other persons, of hotels /lodge/ permanent tented camps for the accommodation of visitors, shops or control, operate, establish or manage any such hotels/lodges/ permanent tented camps or grant leases, subleases, concessions or licenses to other persons to construct and operate such hotel/lodge/permanent tented camp;
- B: The Licensee has applied for a license to construct/erect and operate a ~~hotel/lodge/~~ permanent tented camp-within the national park and has demonstrated its ability to construct/erect and operate the said ~~hotel/lodge/~~ permanent tented camp as herein agreed; and
- C: The LICENSOR having been satisfied that the Licensee has the capacity and the experience to construct/erect a ~~hotel/lodge/~~ permanent tented camp, has agreed to grant a license to the Licensee on terms and conditions as hereunder:

IT IS HEREBY AGREED as follows:

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, except where the context otherwise requires: -

- 1.1.1 "Agreement"** means this License Agreement between **the Trustees of the Tanzania National Parks and M/S Selous Safari Company Limited** dated this **1<sup>st</sup>** day of **November, 2020** and ending on **31<sup>st</sup>** day of **October, 2035**;
- 1.1.2 "Business Day"** means a day on which banks are open for business (including dealings in foreign currency deposits and exchange) in Tanzania;
- 1.1.3 "Business Plan"** means the business plan submitted by the Licensee to the LICENSOR required to be submitted when an investor applies for a license;
- 1.1.4 "Concession Fees"** means the fixed rate concession fee payable by Licensee to the LICENSOR, as provided for in Clause **5.1**.
- 1.1.5 "DALP" ("TIM")** means Development Action License Procedures; which was reviewed to mean "Tourism Investment Manual (TIM)";
- 1.1.6 "EIA"** means Environmental Impact Assessment;
- 1.1.7 "GMP"** means the General Management Plan of each national park as amended from time to time;
- 1.1.8 "GPS"** means Geographical Positioning System;
- 1.1.9 "national park"** has the meaning assigned to it in the Act;
- 1.1.10 "parties"** means the **LICENSOR** and the **LICENSEE**;
- 1.1.11 "persistent non-Compliance"** means failure by a Licensee to pay Concession Fees within the prescribed period.
- 1.1.12 "Tanzania"** means the United Republic of Tanzania;
- 1.1.13 "Conservation Commissioner"** has substituted the word "Director General"

**1.1.14 "Park in-Charge" means the Conservation Officer or Conservation Commissioner - In-Charge of the park.**

1.2 Unless the context or express provisions of this Agreement otherwise require; -

1.2.1 words importing the singular include the plural and vice versa;

1.2.2 references to persons include any company, corporation, agency of a state or any other legal entity;

1.2.3 the expression "hereof", "herein"; "hereunder" and similar expressions shall be construed as references to this Agreement as a whole and not reference to the particular Clause or provision in which the relevant expression appears;

1.2.4 If any of the provisions in this Agreement shall, for any reason, be held to be invalid, illegal or not enforceable in any respect, such invalidity, illegality or non-enforceability shall not affect any other provision hereof, and the invalid, illegal or unenforceable provision will be deemed never to have been contained herein. In the event of such invalidity, illegality or non-enforceability, the parties shall use their best efforts to achieve the purpose of the relevant provision by amending this Agreement and providing for a new legally valid and enforceable provision.

1.3 In this Agreement: -

1.3.1 references to recitals, clauses, schedules or paragraphs are references to, respectively, recitals, clauses, schedules or paragraphs to this Agreement;

1.3.2 the index hereto and headings herein shall not affect the construction of this Agreement; and

1.3.3 any reference to any agreement or document shall be construed as a reference to such agreement or document amended,

## 2. GRANT OF LICENSE

2.1 The LICENSOR, after having determined the suitability of the ~~hotel/lodge/~~ permanent tented camp in accordance with the Business Plan received and approved by it HEREBY grants a license to the Licensee (hereinafter called the "License") in respect of all that parcel of land with **Coordinates 37M 0402805 and UTM 9152512 (Lake Nzerakera Area)** at Mtemele within Nyerere National Park which shall not exceed 2 square kilometres as delineated in the Tourism Investment Manual (hereinafter called the "Site").

2.2 The License shall be for a term of 15 years from the date this Agreement is signed by both parties and is renewable, subject to mutual agreement

between the parties and satisfactory compliance with the terms and conditions of this Agreement. The Licensee shall serve the Licensor a written notice of its intention for renewal of not less than one year before the expiry of this Agreement.

### 3. LICENSEE CONSTRUCTION OBLIGATIONS

- 3.1 The Licensee shall construct/erect ecologically and environmentally friendly ~~hotel/lodge/~~ permanent tented camp at the Site in compliance with the GMP requirements, TIM and the terms of this Agreement. In particular, before commencing and during construction work, the Licensee shall:
- 3.1.1 submit the design layout of the construction or extension of the ~~hotel/ lodge/~~ permanent tented camp to the LICENSOR for approval;
  - 3.1.2 submit to the LICENSOR a development plan for the construction or extension of the ~~hotel/lodge/~~ permanent tented camp within six (6) months from the signing of this Agreement;
  - 3.1.3 demarcate the boundaries of the Site to the satisfaction of the LICENSOR by GPS based numbered beacons or pins, but shall not, in the process unreasonably clear or destroy vegetation except as it is necessary to place the beacons or pins in the required place;
  - 3.1.4 should the EIA report indicate that no ~~hotel/ lodge/~~ permanent tented camp should be constructed/erected on the Site, the LICENSOR shall identify and grant another Site to the Licensee at no extra expense, if any, payable to the LICENSOR. For the avoidance of doubt, the LICENSOR shall not be responsible for any costs or related expenses incurred by the Licensee as a result of having to move to a different Site;
  - 3.1.5 complete construction in accordance with the approved development plan and design layout, within a period of ~~thirty (30) months in respect of the hotel/lodge and~~ fifteen (15) months in respect of tented camp from the date of the signing of this Agreement, failing which the LICENSOR shall be entitled to terminate this Agreement and reallocate the Site to another investor or otherwise decide on another appropriate use of the Site;
  - 3.1.6 cooperate with the Park in-Charge and the engineer of the LICENSOR who shall be invited to attend and participate in all site meetings to be held by the Licensee with surveyors, architects and contractors on matters pertaining to the construction work: Provided that the minutes of such meetings shall be submitted to the Park in-Charge not later than ten (10) days after the meeting is convened;

- 3.1.7 submit to the oversight of the Park in-Charge over the Licensee's operations in the Site to make sure that the Licensee complies with the provisions of this Agreement.
- 3.1.8 use only armoured underground electric cables or solar in the Site and the sewage system shall be underground and kept in a good state of maintenance so as not to allow any leakages;
- 3.1.9 use sink wells (boreholes), lay pipes, renew and maintain those wells and pipes, and ensure supplies of water, drainage sewerage and such other facilities on the Site;
- 3.1.10 install and maintain an incinerator for the disposal of waste products for degradable products and take out of the national park all non-degradable waste material and dump them in designated sites managed by a relevant local authority nearest outside the national park;
- 3.1.11 construct/erect ~~the hotel/lodge/~~ permanent tented camp on the Site with a maximum of **Twenty-Six (26) beds**: Provided the Licensee shall not, extend any buildings or structures without the prior authorization of the LICENSOR failing which the LICENSOR shall be entitled to order the Licensee to demolish such unauthorized buildings or structure at the cost of the Licensee;
- 3.1.12 submit to the LICENSOR, before any commencement of work, the name of a competent contractor to undertake construction and indicate the size of the workforce anticipated for the construction work;
- 3.1.13 consult and obtain the permission of the Park in-Charge before constructing an access road;
- 3.1.14 in the course of the construction/erection of the ~~hotel/lodge/~~ permanent tented camp, all construction materials shall be sourced from outside the park;
- 3.1.15 ferry or cause to be ferried material from one place to another during daytime only using vehicles with weight and capacity approved by the LICENSOR.
- 3.1.16 Not allow seasonal facilities to be operated in the ~~hotel/lodge/~~ permanent tented camp site.



3.1.17 after completing all the necessary procedures as stipulated in the TANAPA Tourism Investment Manual (TIM), commence construction/erection of the ~~hotel/lodge~~/permanent tented camp within a period of twelve (12) months from the date of the signing of this Agreement.

3.1.18 Where the Licensee has not commenced development of the ~~hotel/lodge~~/permanent tented camp (the facility) within the said twelve, shall be liable to pay an additional amount to Land Base Rent equivalent to fifty percent (50%) of the site allocation fee for each year of delay to the maximum period of three years. If construction of the facility is not commenced within three years period, this Licence Agreement shall be automatically revoked, the Licensor shall repossess the site and the site may be allocated to another prospective investor or the Licensor may decide on other appropriate use of the Site.

3.1.19 pay non-refundable Annual Land Base Rent Fee for all permanent facilities which are developed in the parks as prescribed in relevant Government Gazette published and amended from time to time.

3.1.20 After commencement of construction, pay concession fee equivalent to 50% of the ~~hotel/lodge~~/permanent tented camp's occupancy capacity (beds) for each month of delay to complete construction of the facility. The construction period for Permanent Tented Camp (PTC) shall be 15 months ~~and for Hotel/Lodge facility shall be 30 months~~. If construction of the facility is not completed within three years period, this Licence Agreement shall be automatically revoked, the Licensor shall repossess the site and the site may be allocated to another prospective investor or the Licensor may decide on other appropriate use of the Site.

3.1.21 where construction of the facility is completed but it is not operational, pay concession fee equivalent to 50% of the ~~hotel/lodge~~/permanent tented camp's occupancy capacity (beds) for each month of delay to operate the facility. If the investor fails to operate the facility within five years period, this Licence Agreement shall be automatically revoked, the Licensor shall repossess the site and the site may be allocated to another prospective investor or the Licensor may decide on other appropriate use of the Site.

#### **4 LICENSEE'S ENTITLEMENT AFTER COMPLETION OF CONSTRUCTION OF ~~HOTEL/LODGE~~/ PERMANENT TENTED CAMP**

4.1 After completion of the ~~hotel/lodge~~/ permanent tented camp, the Licensee shall:



- 4.1.1 have the right to carry on or procure to be carried on, the business specified and agreed in the Business Plan for which the License is granted and shall not carry out any other business on the Site;
- 4.1.2 subject to compliance with the Act and its Regulations, have the right of way (together with its employees, servants and agents) over and along all roads within the national park;
- 4.1.3 have the right to acquire and maintain a specified number of suitable and well maintained motor vehicles such as lorries, safari vehicles and/or boats in the Site that are necessary for the Licensee's conduct of its business: Provided that the Licensee shall not operate, within the relevant national park, any vehicles whose weight and/or capacity is in excess of that approved by the LICENSOR;
- 4.1.4 have access to the air strip for its own operations as well as for its clients provided the applicable landing fees are fully paid: Provided further that the LICENSOR shall not be liable for any loss or damage to any aircraft or any other property or injury to any passenger or person caused as a result of using the airstrip or any aircraft or any other property; and
- 4.1.5 may make campfires within the Site for the purposes of barbecue: Provided that the Licensee shall be responsible for the control of such campfires and shall be liable for any damage that may be caused or loss incurred by the LICENSOR or any other person as a result of any fires getting out of control.

## 5.0 PAYMENT OF CONCESSION FEES

- 5.1 The Licensee shall pay to the Licensor a fixed rate Concession fee of **sixty United States Dollars (USD. 60.00)** per person per night for non-East Africans and **TZS. 30,000/=** per person per night for East African Citizens.
  - 5.1.1 Children between the age of 5 and 15 years will pay fixed concession fee of **Ten United States Dollars (USD. 10.00)** per person per night for non-East Africans and **TZS. 10,000/=** per person per night for East African Citizens.
  - 5.1.2 The approved fixed rates for concession fees will be displayed at the entry gates.
- 5.2 Payment of fixed rates concession fee shall be upfront at the Park's entry points. It shall be an obligation of the Licensee to make a prior arrangement for the upfront payment of the fixed rate concession fees at the entry points. Provided that the Licensee may make special arrangement with tour operators for upfront payment of the fixed rate concession fees at the entry points of the Park on a set off arrangement to be agreed between them.

- 5.3 The Licensee shall keep accurate accounts records and visitor registers including, other records or documents that must be retained or kept under the Companies Act No. 12 of 2002 and any other written law.
- 5.4 The rates applicable in determining the Concession Fees may be revised after every three (3) years provided that the LICENSOR shall give the Licensee not less than six (6) months written notice prior to the expiry of the three (3) years' period of its intention to revise the rates. Provided that where there is a conflict between the notice period provided under this agreement and a notice under any Government Notice revising the concession fee rates the Government Notice provision shall prevail.
- 5.5 The Licensee shall, at the end of each month, submit Returns to the LICENSOR: Provided that the LICENSOR has the right to audit the occupancy books and other records of the Licensee should the LICENSOR consider it necessary.
- 5.6 The Licensee shall make available for inspection by the LICENSOR, at all reasonable times, registers of bookings, payment records, or any other business records;
- 5.7 There shall be Annual Land Base Rent Fee which shall apply to all existing permanent facilities in the National Parks from the date of publication of the fee in the Government Gazette which shall be reviewed from time to time.

## **6.0 ENTRY FEES, EMPLOYMENT, INSURANCE AND SOCIAL FACILITIES**

- 6.1 The Licensee shall pay annual fee for its directors and executive staff at the prevailing rate provided that the number of annual permits shall not exceed fifteen. It is further agreed that the Licensee shall:
- 6.1.1 submit to the LICENSOR names and designations of the Directors and Executive staff;
- 6.1.2 apply to the LICENSOR for waiver of entry fees for contractors and consultants engaged by it to construct/erect/refurbish/maintain the ~~hotel/lodge/~~ permanent tented camp, which waiver shall not be unreasonably withheld;
- 6.1.3 be exempt from paying entrance fees for her employees working in the ~~hotel/lodge/~~ permanent tented camp including members of their families namely their spouses up to four children not exceeding 18 years of age, but any non-family accompanying visitors shall be liable to pay entrance fees;

- 6.1.4 abide and comply with the laws of the nation provided that, without prejudice to the requirements of any written law, use its best endeavours to give preference to Tanzanians in any capacity for which they are suited and have necessary qualifications;
- 6.1.5 require its employees who come in contact with the public to wear uniform by which they may be identified and distinguished as its employees;
- 6.1.6 submit a staff list of its employees working in the ~~hotel/lodge/~~permanent tented camp to the Park in-Charge after every six (6) months including names of family members as specified in this Agreement;
- 6.1.7 carry public liability insurance of not less than two Million United States Dollars (USD.2,000,000.00) and provide the LICENSOR with certified copy of the policy. The Licensee shall ensure that the premium for such insurance are paid in time and copies thereof made available to the LICENSOR such that at all material times, the insurance policy is in force;
- 6.1.8 ensure the provision of social facilities to the employees, such as fully stocked shops, including, fish and/or meat: Provided that where meat is to be provided, the carcasses shall come from outside the national park , otherwise the Park -In- Charge may, on application, permit Licensee to bring in live animals for purposes of slaughtering for meat which live animal shall not be kept for more than seven (7) days before slaughtering;
- 6.1.9 in order to maintain high standards of the ~~hotel/lodge/~~permanent tented camp, the Management and the Chef shall have the required professional training in hotel management and food and beverage administration;
- 6.1.10 ensure that loud music by live bands or disco jockey equipment is not allowed within the Site except on very special days with the written permission of the Park in-Charge;
- 6.1.11 save for campfires, not to allow, for purposes of cooking (food preparation), the use of dead fuel wood without the written approval of the Park in-Charge;
- 6.1.12 make and maintain firebreaks around the Site as shall be approved by the Park in-Charge and ensure the proper installation and maintenance of fire extinguishers;
- 6.1.13 permit the LICENSOR or its duly authorised agents, at all reasonable times and after reasonable notice, to enter the ~~hotel/lodge/~~permanent tented camp including the area within the



Site in order to ensure that the Licensee is in compliance with the provisions of this Agreement: Provided that such visits shall only be conducted in the presence of one of the directors or executive staff of the Licensee and that the Licensee shall take reasonable steps to ensure that a director or executive staff is available for the inspection;

6.1.14 do all within its power through use of its park-based employees both independently of and at the request of the Conservation Commissioner or Park in-Charge prevent and/or suppress any wild fire within the national park or part thereof within a radius of five kilometres from the buildings and structures of the Licensee and to assist and use its best endeavours in the rescue and preservation of lives and properties in such emergencies; and

6.1.15 report any illegal activities in the national park of which it is aware.

**7.0 It is further agreed that the Licensee shall:**

- 7.1 keep the Site and all buildings and structures thereon in good state of repair and restore any damage thereto;
- 7.2 pay bills for water, electricity and sanitary charges in connection with the Site if the same are supplied by the LICENSOR: Provided that the rates payable shall have been agreed by the parties;
- 7.3 use its best endeavours to ensure that visitors and employees do not leave the Site otherwise than in motor vehicle except as may be necessary to enable the Licensee's servants, employees and others perform their normal duties;
- 7.4 not to carry on at the Site any business involving by-products of wildlife;
- 7.5 comply with Tanzanian law against discrimination of whatever form;
- 7.6 not to make any press releases or statements relating to the national park without the written consent of the LICENSOR: Provided that this Clause does not apply to press releases or statements which form part of Licensee's marketing program;
- 7.7 permit the LICENSOR to display at the ~~hotel/ lodge/~~ permanent tented camp informative or educative materials and/or literature for the benefit of visitors;
- 7.8 charge special reduced but fair rates for the accommodation of the LICENSOR's Board members, senior officers and national park officials at the ~~hotel/ lodge/~~ permanent tented camp on official duties: Provided that in

- fixing such rates, the Licensee shall take into account the number of such persons at any one given moment, duration of their stay and the frequency of their presence at the ~~hotel/lodge~~/permanent tented camp;
- 7.9 provide a strong room/armoury for safe keeping of any firearms which might be in possession of any visitor including firearms meant for the security of the ~~hotel/lodge~~/permanent tented camp;
- 7.10 employ reasonable diligence to ensure that none of its employees or visitors carries any firearms whether on the way to and from the ~~hotel/lodge~~/permanent tented camp except an employee or visitor specifically authorised in writing;
- 7.11 use its best endeavour to ensure that any transient visitor in possession of firearms, shall immediately deposit the firearms with either the Warden- In-Charge or the executive officer of the Licensee in charge for the safe custody until such time as the visitor departs from the national park;
- 7.12 inform the Park in-Charge, if an employee or a visitor deposits a firearm with the ~~hotel/lodge~~/permanent tented camp;
- 7.13 use its best endeavours to give due regard to and support to local community initiatives in its neighbourhood;
- 7.14 undertake to ensure that members of staff and their families are treated fairly at the workplace and further that reasonable arrangement shall be made to ensure the effective control and prevention of HIV/AIDS at the workplace; and
- 7.15 notify the LICENSOR, in writing, of any change of its business name or management of the ~~hotel/lodge~~/permanent tented camp

## 8.0 ADDITIONAL LICENSEE OBLIGATIONS

- 8.1 The Licensee covenants further with the LICENSOR that it shall:
- 8.1.1 pay the Concession Fees and other payments due under this Agreement as required in Clauses 5.1 and 5.2;
- 8.1.2 keep, through ~~hotel/lodge~~/permanent tented camp out the term of this Agreement, both the interior and exterior of the in good and hospitable condition;
- 8.1.3 not disturb or destroy any indigenous plant or tree growing within the Site without the permission of the LICENSOR and to ensure that no vegetation from outside the national park is introduced into the

Site or any other part of the national park. All timber used for construction, ornamental or other purposes should originate from outside the national park;

- 8.1.4 plant and maintain sufficient number of indigenous trees within the allocated site to ensure shade and camouflage to the developed facility and related premises.
- 8.1.5 not make any alterations to the ~~hotel/lodge~~/permanent tented camp without the LICENSOR first giving its consent in writing of Licensee's plans and specifications: Provided that such consent not to be unreasonably withheld;
- 8.1.6 not conduct or permit activities within the Site which may interfere with or seriously disturb wildlife, particularly wild animals or the conservation and security of the national park;
- 8.1.7 obtain all relevant licences and permits required in order for the Licensee to operate the ~~hotel/lodge~~/permanent tented camp;
- 8.1.8 maintain high standards of catering and other services suitable and adequate for a modern ~~hotel/lodge~~/permanent tented camp;
- 8.1.9 maintain in their places, all beacons demarcating the boundaries of the Site and to cause to be re-established or replaced any such beacons, which may become displaced;
- 8.1.10 provide and maintain proper systems of sewage and other liquid effluent disposal and meet public health standards as well as the standards set by the LICENSOR; and
- 8.1.11 at all times, to ensure that all the rivers, dams and other water bodies in and around the ~~hotel/lodge~~/permanent tented camp remain fresh and are not polluted or contaminated and further ensure that the general environment in and around the Site remain fresh and not polluted or contaminated and, further, uses its best endeavours to ensure that the general environment in and around the Site remains free from contamination, pollution or other adverse interference by solid, liquid waste effluent discharge or emission emanating from within the Site.
- 8.1.12 Pay environment pollution fee which shall be set by the Licensor if it fails to observe the contents of clause 8.1.11 above. The environment pollution fee shall be charged and paid in addition to all other fees provided by this Agreement.



**9.0 THE RIGHT OF LICENSEE TO CREATE COLLATERAL OVER THE HOTEL/  
LODGE/PERMANENT TENTED CAMP**

- 9.1 The LICENSOR agrees that the ~~hotel/lodge~~/tented camp shall be the property of the Licensee and the Licensee acknowledges that the Site upon which the ~~hotel/lodge~~/permanent tented camp is constructed is located within a national park which is reserved conservation land in respect of which no certificate of title may be issued and thus no legal mortgage charge may be created in favour of any creditor over the assets of the Licensee including the buildings constituting the ~~hotel/lodge~~/permanent tented camp
- 9.2 The Licensee may, with the prior consent of the LICENSOR (which consent shall not be unreasonably withheld and in any case be given within 14 days), create a debenture charge in favour of a creditor over all its assets including the buildings constituting the ~~hotel/lodge~~/permanent tented camp for the purposes of financing: Provided that a debenture charge may be specific to specified assets including revenue collection or other receivables or cover all the assets of the Licensee whether movable or immovable.
- 9.3 In the event that the Licensee defaults on a loan against which its assets have been charged in favour of a creditor, such creditor shall have the right, to appoint a receiver/manager to sell the ~~hotel/lodge~~/permanent tented camp including other assets of the Licensee in order to pay for the outstanding loan amount: Provided that such receiver/manager shall have the power to manage the ~~hotel/lodge~~/permanent tented camp if he deems it prudent providing that such management shall not increase the overall debt of the ~~hotel/lodge~~/permanent tented camp. The debenture instrument to be used shall have the usual powers, rights and obligations conferred or imposed upon a receiver/manager but shall take into account the unique restrictions that Licensees in the national parks face regarding the sale of their ~~hotel/lodge~~/permanent tented camp and transfer of license Agreements.
- 9.4 The creditor and the receiver/manager shall cooperate closely with the LICENSOR by providing adequate and necessary information regarding potential buyers of the ~~hotel/lodge~~/permanent tented camp in order for the LICENSOR to assess the suitability of the new buyer.
- 9.5 For the avoidance of any doubt, a buyer acceptable by the LICENSOR shall have the experience of constructing/erecting a ~~hotel/lodge~~/permanent tented camp the technical and financial capacity, good environmental track record and good corporate standing. In addition, the rights and obligations in this Agreement shall be assigned to the buyer



## 10.0 THE LICENSOR'S OBLIGATIONS

### 10.1 The LICENSOR covenants with the Licensee to:

- 10.1.1 maintain, all established roads, dense network of game viewing tracks, bridges and airstrips within the national park and improve such roads, bridges, dense network of game viewing tracks, roads and tracks leading to the ~~hotel/lodge~~/permanent tented camp, and airstrips as far as possible to reasonably high standard as would be expected of within a national park to promote the tourist industry regard being had to the financial position of the LICENSOR;
- 10.1.2 Where the LICENSOR is unable to maintain or establish roads to the ~~hotel/lodge~~/permanent tented camp or airstrip or a road, track, dense networks leading to game drives, the LICENSOR may, after having prepared technical assessment of the amount of money required and after calling for quotations from licensed contractors and selecting the winning quotation, approach the Licensee for financial support;
- 10.1.3 In the event that the Licensee agrees to provide the financial support, the Licensee shall pay the money required to the LICENSOR and the procurement of the services shall be carried out by the LICENSOR in accordance with the procurement law applicable;
- 10.1.4 The LICENSOR and the Licensee shall agree, in writing, on the amount to be paid by instalment and number of instalments applicable to refund the Licensee the amounts contributed under Clause 10.1.2 but that the refund shall be completed within a period of eighteen (18) months from the date the money is received by the LICENSOR: Provided that the parties may agree on an extended refund period taking into account the amounts involved;
- 10.1.5 The Licensee shall have no right of set-off from payment of Concession Fees due to the LICENSOR to pay for any refund under this Clause;
- 10.1.6 Not to permit the construction/erection of any other hotel/lodge/permanent tented camp or any other tourist business within a radius of **Ten (10) kilometres** from the Site. Provided that the minimum distance from one facility to another may be reviewed and set by the Licensor from time to time.

- 10.1.7 Where at the signing of this Agreement the Licensee's facility is operational and the distance between its facility and other existing facility is less than the prescribed minimum distance under this Agreement, then such lesser distance shall be the minimum distance between the licensee and such other facility.
- 10.1.8 Not to deprive the Licensee of quiet enjoyment of the Site;
- 10.1.9 Require its employees who come in contact with the public to wear uniform by which they may be identified and distinguished as employees of the LICENSOR; and
- 10.1.10 Honour and perform the responsibilities imposed on it by this Agreement.

## 11.0 MOST FAVOURED INVESTOR TREATMENT

With an exception of the concession fees clause;

- 11.1 The LICENSOR undertakes that the terms and conditions provided herein shall be *mutatis mutandis* applicable to every other investor whether existing or new.
- 11.2 The LICENSOR shall not treat the Licensee or any assignee less favourably than the rest of the Licensees.
- 11.3 The parties agree that any treatment given to any other Licensee by the LICENSOR, which is more favourable or preferable than terms offered to others, such treatment shall be automatically applicable to all Licensees.

## 12.0 ASSIGNMENT

- 12.1 That the Licensee shall not transfer, assign or sublet or part with the possession of the ~~hotel/lodge~~/permanent tented camp site or any part thereof without the previous consent in writing of the Licensor.
- 12.2 The Licensee may, for any reasons whatsoever, sell its ~~hotel/lodge~~/permanent tented camp and all its other assets to a new buyer. In the event, this Agreement shall have to be transferred by way of assignment of both the rights and obligations contained therein to a new buyer.
- 12.3 Any assignment of this Agreement shall be subject to a payment of an assignment fee of United States Dollars Ten Thousand (USD10,000.00) to the LICENSOR. Licensor shall review the assignment fee from time to time. Provided that the assignment fee shall not be payable in respect of an assignment arising out of an enforcement of a security by a bank or financial institution. The assignment fee shall be paid by the incoming Licensee.

12.4 No assignment to a new buyer of the hotel/lodge/permanent tented camp shall take place unless the LICENSOR has given its prior written consent (which consent shall not be unreasonably withheld) and is party to the assignment deed. No assignment of this Agreement may be made to a bank or financial institution as collateral for any loan or any other reason, or to any other third party not purchasing and taking over the hotel/lodge/permanent tented camp operations within the Site.

### **13.0 TERMINATION OF THIS AGREEMENT**

13.1 In the event that either party proposes to terminate this agreement, he shall issue ninety days written notice of his/her intention to the other party.

13.2 This Agreement may be terminated by the LICENSOR on the following grounds:

13.2.1 termination under Clause 3.1.5;

13.2.2 failure to rectify, without reasonable cause, a material breach of a provision of this Agreement for more than 90 days from the date the LICENSOR requested the Licensee to rectify such breach;

13.2.3 the Licensee conducts business within the Site other than the business for which the License was granted despite repeated reminders to comply with the conditions of this Agreement;

13.2.4 a persistent non-complying Licensee;

13.3 No liability whatsoever shall arise to the LICENSOR for any loss suffered or expense incurred by the Licensee as a result of the termination of this Agreement.

### **14.0 FORCE MAJEURE**

14.1 Neither party is liable to the other for defaults or delays in performing their obligations under this Agreement if such default or delays result from Force Majeure. For the purposes of this Agreement, "Force Majeure" means:

14.1.1 Any act of war, (declared or undeclared) invasion, civil disturbance, coup d'état, act of terrorism, government intervention, riots, explosion, expropriation or creeping- expropriation, epidemic, storm, flood, drought, earthquakes, hurricane, tornados, lightning, fire, volcanic activity, or other adverse weather conditions, or any other act of God whenever and however occurring provided that any such event occurs within or directly involves or affects Tanzania; and

14.1.2 any other unforeseen event over which the affected party has no control and which is of such a nature as to delay, curtail or prevent timely action by such party;

14.2 "Force Majeure" shall not include (i) any event which is caused by the negligence or intentional action of a party or such party's consultants, contractors or agents or employees, or (ii) any event which a diligent party could reasonably have been expected to both (A) take into account at the time of the conclusion of this Agreement and (B) avoid or overcome in the carrying out of its obligations herein.

14.3 "Force Majeure shall not include insufficiency of funds or failure to make any payment required except as provided herein.

14.4 If a party is prevented or delayed in performing any of its obligations under this Agreement by reason of Force Majeure, the affected party shall:

14.4.1 forthwith notify the other party of any such event affecting its ability to fulfill the terms and conditions of this Agreement;

14.4.2 be relieved from the consequences of its failure to perform that obligation; and

14.4.3 where practical, use all reasonable endeavors to overcome the consequences of the event, and, where the Force Majeure event has been eliminated or no longer affects the party, promptly notify the other party of its ability to resume forthwith the performance of its obligations in terms of this Agreement.

## **15.0 GOVERNING LAW AND DISPUTE RESOLUTION**

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

15.2 Any dispute arising out of or in connection with this Agreement shall be resolved amicably by the parties, failing which the aggrieved party may take legal action in any competent court in Tanzania

## **16.0 REPRESENTATIONS AND WARRANTIES**

16.1 The LICENSOR represents and warrants as follows to the Licensee, and acknowledges that the Licensee is relying upon such representations and warranties in entering into this Agreement that:

16.1.1 the LICENSOR has the power and the authority to enter into this Agreement and complete the transaction;

- 16.1.2 the license terms and conditions applicable to investors in the national parks except for the concession fees clause are *mutatis mutandis* applicable to all Licensees, in particular, on key issues such as the term of the license, the basis for renewal, the conditions relating to construction and operation of the ~~hotel/lodge~~/permanent tented camp, payment terms and penalties for defaulters of payment of concession fees, the size of the radius of the Site, the minimum distance with respect to the same national park, the ability of Licensee to create a charge over the ~~hotel/lodge~~/permanent tented camp to raise financing, the ability of a lender to realize a charge created in its favor, the circumstances of breach of the provisions of this Agreement that entitles the Licensor to terminate this Agreement, list of force majeure events, assignment of the license to incoming investor, governing law and dispute resolution clauses, amendment clause, the content of the notice clause, miscellaneous provisions, and conditions for participation by Licensee in financing establishment or maintenance of roads, game tracks, bridges, dense networks leading to the ~~hotel/lodge~~/permanent tented camp and game drives and the terms of compensation;
- 16.1.3 the execution and performance of this Agreement by the LICENSOR does not conflict with, and do not and shall not result in a breach of any applicable law, rule or regulation or any agreement or obligation to which the LICENSOR is party or by which the LICENSOR is bound;
- 16.1.4 any new buyer of a ~~hotel/lodge~~/permanent tented camp to which this Agreement is assigned serves the remaining term in the assigned Agreement and shall not be granted with a new license on full term.
- 16.2 The Licensee represents and warrants as follows to the LICENSOR, and acknowledges that the LICENSOR is relying on such representations and warranties in entering into this Agreement that:
- 16.2.1 the Licensee has good and sufficient power, authority to enter into this Agreement and complete the transactions;
- 16.2.2 the Licensee is a company established under the laws of Tanzania and it is properly organized and is validly existing pursuant to the laws of Tanzania;
- 16.2.3 the Licensee has the experience and financial capability to construct/erect and manage the ~~hotel/lodge~~/permanent tented camp;

- 16.2.4 there are no undisclosed actions, suits or proceedings in existence or to the best of the Licensee's knowledge having made all diligent enquiries, any dispute which could lead to any actions against the Licensee which shall encumber the assets of the Licensee as to substantially and adversely affect the ability of the Licensee to perform its obligations under this Agreement;
- 16.2.5 to the best of the Licensee's knowledge there is no undisclosed charge or condition which may substantially and adversely affect the ability of the Licensee to perform this Agreement or which could be presumed to have such effect; and
- 16.2.6 the execution and performance by the Licensee of this Agreement do not conflict with, and do not and will not result in a breach of its Memorandum and Articles of Association, by-laws or resolutions of the Licensee, nor of any applicable law, rule or regulation or any agreement or obligation to which the Licensee is party or by which the Licensee is bound.

## **17.0 MISCELLANEOUS PROVISIONS**

- 17.1 Either party undertakes to take all steps necessary for the implementation of this Agreement and to sign or to have signed, from time to time, all other documents, contracts or writings that require to be signed and to do, or to be done, all which is considered necessary to be done in order to fulfill the object of this Agreement and in order to give full effect to its provisions.
- 17.2 This Agreement constitutes the complete agreement between the parties as to the matters herein dealt with and it replaces all other agreements or other documents, if any, in this regard.
- 17.3 That should, at any time, the terms and conditions of this lease conflict with any existing or future legislation the provision of the legislation shall prevail.
- 17.4 This Agreement cannot be modified or amended except by a written document duly executed and authorized by each of the Party's corporate authority.
- 17.5 This Agreement does not create and shall not be interpreted as having created a joint venture or partnership relationship between the parties. No party shall be at any time considered as the authorized agent or the legal representative of the other party.

- 17.6 Except in the case of express waiver, the fact that one party does not exercise all or any part of its rights which are conferred upon it by this Agreement shall not constitute, in any event, the waiver or abandonment of the rights not exercised.
- 17.7 All notices, requests, consents, demands, waivers or other communications shall be in writing in the English language and shall be sent by hand delivery or by prepaid first class registered air mail or courier or scanned and sent electronically to the addresses set forth below:

**FOR THE LICENSOR:**

**CONSERVATION COMMISSIONER  
TANZANIA NATIONAL PARKS  
P.O.BOX 3134  
ARUSHA.**

**ATTENTION: CONSERVATION COMMISSIONER**

**FOR THE LICENSEE:**

**THE MANAGING DIRECTOR,  
M/S SELOUS SAFARI COMPANY LIMITED  
NKURUMA/ GEREZANI STREET  
P. O. BOX 1192  
DAR ES SALAAM.**

**ATTENTION: MANAGING DIRECTOR**

- 17.7.1 The Parties may, at any time, designate by like notice, other addresses to which notices and other communications shall be transmitted; and
- 17.7.2 Any such notices, requests, consents, demands, waivers or communications shall be deemed to have been properly given or delivered in the case of delivery by registered mail or by courier to the party to which it was addressed only when it has been received by such party.

**AS WITNESS** the hands of the duly authorized representatives of the parties the day and year above written.



**THE LICENSOR**

Sealed with the Common Seal of the  
**Trustees of the Tanzania National Parks**  
and delivered in our presence  
This 1<sup>st</sup> day of **November 2020**.

**Full Name:** GENERAL GEORGE M. WAITARA (Retd).

**Signature:** 

**Address:** P.O.BOX 3134

ARUSHA.

**Qualification:** BOARD CHAIRMAN

**Full Name:** Dr. ALLAN J. H. KIJAZI

**Signature:** 

**Address:** P.O.BOX 3134

ARUSHA.

**Qualification:** CONSERVATION COMMISSIONER

**Full Name:** RICHARD K. NSIMBA

**Signature:** 

**Address:** P.O.BOX 3134

ARUSHA.

**Qualification:** SENIOR ASSISTANT CONSERVATION

COMMISSIONER - LEGAL SERVICES



**THE LICENSEE**

Sealed with the Common Seal of **M/S Selous Safari Company Limited** and delivered in our presence this **1<sup>st</sup>** day of **November 2020**.



**Full Name:** Asella G. Msando

**Signature:** 

**Address:** Box 6101, Ansha

**Qualification:** Authorized Signatory

**Full Name:** PRAYGOD MANAGE

**Signature:** 

**Address:** 6101 ARUSHA

**Qualification:** AUTHORIZED SIGNATORY

