

LEASE AGREEMENT

This Lease Agreement is made on this..... day of, 2023

BETWEEN:

SIMBA DEVELOPERS LIMITED of P.O. Box 2562, Dar-es-Salaam (hereinafter referred to as the "Lessor") which expression shall, where the context so admits, include its successors, and assigns in title of the one part.

AND

MAARS WELD COMPANY LIMITED of P.O. Box, Dar Es Salaam, Tanzania (hereinafter referred to as the "Lessee") which expression shall where the context so admits include his successors and assigns in title of the other part.

WHEREAS The Lessor is the beneficial owner of all the properties of situated on plot no 1210 block Y, at Mbagala Majimatitu area in Dar es Salaam and is desirous to continue with the lease agreement for the **FACTORY** to the lessee from the 1st Day of May, 2023 to the 30th Day of April, 2026 at the monthly rent of TZS 7,200,000/- Inclusive VAT 18%.

NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

1. COMMENCEMENT AND DURATION OF THIS AGREEMENT

This Agreement shall be for a period of thirty-six (36) months with effect from 1st May, 2023 (date of commencement) and shall end on the 30th April, 2026 (date of termination) subject to renewal based on the conditions prescribed in this Agreement but otherwise upon the sole discretion of the Lessor.

2. DATE OF POSSESSION

The date of commencement for purpose of this Agreement shall be considered as the effective date of possession of Demised Premises by the Lessee from the Lessor.

3. RENT PAYABLE

- 3.1 The Agreement will accrue from 1st May 2023 after the date of commencement of the Lease Agreement due to factory mobilization.
- 3.2 It is hereby agreed that the Lessee shall pay rent on six monthly basis.

at any time hereafter during the said lease period be charged or assessed or imposed upon in respect of the said demised premises.

- 3.4 The Lessee shall not block the passages. All passages shall be left vacant throughout the period of the lease.
- 3.5 The lessee shall not hold the lessor responsible for any loss or damage while may occur as a result of theft or a day after reason to any property/items/goods which belong to the lessee.

4. THE LESSEE CONVENANTS WITH THE LESSOR as follows:

- 4.1 To pay the agreed rent to the Lessor in the manner aforesaid clear of all deductions.
- 4.2 To maintain the premises and the interior of the Demised Premise and appurtenances thereof including doors, windows and other fixtures and fittings in good tenable repair and condition and painted internally upon expiry of the lease period.
- 4.3 To pay all charges for water, electricity and other utilities on the demised premises during the lease period.
- 4.4 To keep the Demised Premises in clean, tidy and sanitary condition at all times and not to assign, sublet or part with the possession of the Demised Premises without the written consent and permission of the Lessor.
- 4.5 To keep the leased premises insured against loss or damage by fire at own expenses for the duration of the lease period and to lay out any moneys received under such insurance in rebuilding the same or such part thereof as may be destroyed or damaged to restore to its former state.
- 4.6 At the expiry or sooner determination of the lease period hereby granted to yield up the Demised Premises to the Lessor in the state of repair in which they ought to be having regard to the provisions hereinbefore contained fair wear and tear excepted.

5. THE LESSOR CONVENANTS WITH THE LESSEE as follows:

- 5.1 That the Lessee paying the rents hereinbefore reserved and performing and observing the several covenants conditions and agreements herein contained and on its part to be performed and observed may peaceably hold and enjoy the Demised Premises during the term hereby granted without any interruption or disturbance from the Lessor or any person or persons lawfully claiming under or in trust for the Lessor.
- 5.2 From the effective date of handing over, to deliver up the possession of the Demised Premises to the Lessee as where it is basis.

6. THE LESSOR AND LESSEE MUTUALLY AGREE AND DECLARE as follows:

- 6.1 The Lessee is not allowed to conduct any developments on the Demised Premises without prior consent in writing from the Lessor and the Lessor will not be obliged to refund the Lessee for any developments on the Demised Premises. Any developments on the Demised Premises will form part of the Demised Premises and remain as properties of the Lessor at the end of the lease period. The Lessor shall not withhold such consent unreasonably and that there shall be no additional rental as a result of such developments.

- 6.2 The Leased Premises shall be used exclusively for commercial purposes only.
- 6.3 During the use the tenancy period, smoking or consumption of alcohol or selling of the mentioned items shall be strictly prohibited in the premises by the lessee or any other users of the premises.
- 6.4 Nothing herein shall give Lessee the right to use the property for any other purpose or to sublease, assign, or license the use of the property to any sub lessee, assignee, or licensee without prior written consent from the Lessor.
- 6.5 Stamp duty, withholding tax, registration charges in respect of this Agreement, and any other expenses in connection with the preparation of this Agreement shall be borne by the Lessee.

7. TERMINATION

- 7.1 This Lease Agreement shall terminate:
- (a) On the expiry of the lease term herein reserved, unless the parties shall mutually agree in writing to renew it upon new terms.
 - (b) If the Lessee or Lessor commits any other breach of the terms of this Lease Agreement which is incapable of being rectified in accordance with the provisions of this Agreement;
or
 - (c) If the Lessee is declared insolvent.
 - (d) Either party can terminate the lease agreement by giving in writing 3 month's notice period.
- 7.2 If the Lessee gives a notice of termination and the lease is still subsisting then the advance rent paid cannot be claimed from the Lessor

8. RENEWAL OF LEASE

The Lessor may at the written request of the Lessee made one month before the expiration of the lease period renew the lease upon new terms or determine the lease as the case may be.

9. LESSOR'S RIGHT OF ENTRY

The Lessor and/or designated persons of the Lessor shall, with prior reasonable notice of not less than 24 hours or at the request of the Lessee, be entitled to enter the Demised Premises at all reasonable times for the purpose of inspecting the Demised Premises.

10. REPAIRS OF DEMISED PREMISES

The Lessee shall inform the Lessor in writing of its intention to carry out any major repairs, major alterations, major additions, major modifications or improvement or other work needed in respect of the Demised Premises should the Lessee desires to do so and the Lessor shall give its permission in writing. At any given point of time consent of the Lessor shall not unreasonably be withheld.

11. WHOLE AGREEMENT

This Lease Agreement constitutes the whole agreement between the parties and no warranties or representations, whether express or implied, not stated herein shall be binding on the parties.

12. DISPUTES

12.1 If any dispute or differences whatsoever arises between the parties hereto at any time during the continuance of the lease or upon or after its discharge or determination touching or concerning this Lease Agreement or its construction or effect or as to the rights, duties or liabilities of the parties hereto or any of them under or by virtue of this Lease Agreement or otherwise or as to any other matter in any way connected with or arising out of or in relation to the subject matter of this Lease Agreement, the Parties shall use their best efforts to settle such disputes or differences amicably within twenty one (21) days from the date a party receives a notification of a dispute from another Party; to this end they shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution.

12.2 If the matter cannot be settled amicably under clause 12.1 above, the dispute shall be referred to a court of competent authority.

13. GOVERNING LAW

This Lease Agreement shall be governed by and construed in accordance with the Laws for the time being in force in Tanzania.

14. FORCE MAJEURE

14.1 In relation to an act of God, the Lessor shall not be entitled to any compensation and the Lessee shall not be liable to the Lessor for any damage, loss or inconvenience suffered as a result of that act.

14.2 For the purpose of this Lease Agreement, an act of force majeure shall mean:

- (a) Natural disasters such as earthquake, landslide, floods, which prevent the continued use of the premises for a period of at least 6 months;
- (b) Terror attacks, civil unrest, violence or political activity which prevents the continued use of the premises for a period of at 6 months.

IN WITNESS WHEREOF the parties hereto have respectively execute this Lease Agreement on the day and year first above written.

SIGNED & SEALED with the Common Seal of the said

SIMBA DEVELOPERS LIMITED

and **DELIVERED** in our presence

This _____ day of _____, 2023

Name

Designation:

Yusuf Ezz
DIRECTOR

} 
LESSOR

SIGNED & DELIVERED By the said

MAARS WELD COMPANY LIMITED who is known to me personally/identified to me by

The later being known to me in my presence

This _____ day of _____, 2023

Name: _____

Designation: _____

} 
LESSEE

Witness:

Name:

Ezekiel J. Mayunga

Signature: _____

mygm



Dsu
mygm
02/02/2023



START OF LEGAL RECEIPT

LEGAL TEST ATTORNEYS
P O BOX 20453 DAR ES SALAAM
AZIKIWE STREET MAUUNO HOUSE
TEL 255 715 777 848
TANZANIA

TIN 127364079

URN 40031530X

SERIAL NUMBER 03T2443029168

UIN 01181M
-10126414912736407903T2443029168

TAX OFFICE ILALA

CUSTOMER NAME

SIMBA DEVELOPERS LIMITED

CUSTOMER ID TYPE BUYER'S TIN

CUSTOMER ID 103761301

CUSTOMER UIN 10018566E

RECEIPT NUMBER 29

ZNo 1/0009

DATE 02-02-2023 TIME 14:48:54

ECR: 01 OP: 01

LEGAL SERVICES 15'000.00 A

TOTAL EXCLUSIVE OF TAX 12'711.86

TAX A-18.00% 2'288.14

TOTAL TAX 2'288.14

TOTAL INCLUSIVE OF TAX

15'000.00

CASH 15'000.00

ITEMS NUMBER 1

RECEIPT VERIFICATION CODE

A9264729



END OF LEGAL RECEIPT