

## LEASE AGREEMENT

This lease agreement is made this... 01<sup>st</sup> ...day of July...2024

BETWEEN

**DEUS GABRIEL RUTAKYAMIRWA** of P. O. Box 13456-Dar es Salaam, Hereinafter referred to as the "LESSOR" which expression shall, where the context so admits, include its successors in title) of the other part.

AND

**STONEFLOWER COMPANY LIMITED** P.O.BOX 14112-Dar es Salaam, Tanzania (Hereinafter referred to as the "LESSEE" which expression shall, where the context so admits, include its successors in title) of one part.

**WHEREAS** the LESSOR being the legal owner of the plot of Land situated at **Kyerwa ward, Kyerwa District, Isingiro village, Kagera Region** (Hereinafter referred to as the Demised Premises"); and has agreed to lease the said demised premises to the LESSEE to hold and enjoy the same for establishing a warehouse and a light factory and any incidental business

**NOW THIS AGREEMENT WITNESSETH as follows:**

- 1. CONSIDERATION:** That in consideration of the rent and Lessee's covenant herein after reserved and contained, **THE LESSOR HEREBY DEMISES** unto the Lessee for the payment of **1000\$/=** per month payable for every three (03) months to the tune of **3000\$(VAT)inclusive** by signing the agreement, the lessor acknowledges to receive 5 months' rent to the tune of **5000\$(VAT)Inclusive**
- 2. THE RENT INCREASE. THERE WILL BE NO RENT INCREASES FOR THE FIRST TWO YEARS**
- 3. "AS IT IS".** Tenant is hereby agreeing that Tenant is leasing the Premises "as it is", and Tenant agrees to accept the Premises in "as is" condition as of the date of delivery from Landlord, and without any warranties or representations made by Landlord as to the condition thereof. Tenant's execution of this Agreement shall constitute Tenant's acknowledgement that the plot is handled over without any encumbrances

4. **LEASE PERIOD:** The Lessee shall **HOLD** the demised premises for a period of **Two (02)** years from the 01<sup>st</sup> July, 2024 to 01<sup>st</sup> July, 2026 subject to renewal for further terms upon mutual agreement on the terms and conditions as the parties shall agree.
5. The Lessee **HEREBY COVENANTS** with the Lessor to the intent that the lessee obligations shall continue throughout the said terms and conditions as follows:
- i) To keep the demised premises and all the fixtures, water apparatus, electric wiring and fittings thereof in good and tenantable repair and condition
  - ii) At all time of the lease period to use the demised premises for Commercial purposes only.
  - iii) At all times to keep the demised plot in good condition.
  - iv) To permit the Lessor or its agents and servants at all reasonable times in the day to enter upon and view the condition of the leased plot and to give or leave on the demised premises notice in writing of such defects and want of repair there found which the Lessee is liable to make good under the covenants hereinbefore contained.
  - v) The 30 days after signing the documents won't be considered on the lease period, this is due to the maintenance and renovation of the aforesaid property
6. The Lessor **HEREBY COVENANTS** with the Lessee as follows:-
- i) To make sure that the Lessee holds peacefully and enjoys the demised premises throughout the tenancy period without any interruption.
  - ii) That the Lessor has good right and full power to demise unto the Lessee the Demised Premises in the manner aforesaid.
  - iii) To pay and discharge promptly all existing rates, taxes and assessments payable in respect of the demised premises or any other taxes or assessments which may become payable to the relevant authorities and which are by law payable on the demised premises before the lessee takes possession of the demised premises
  - iv) The lessor shall repair any damage to the demised premises for which the lessor is responsible in terms of this lease agreement, within fourteen (14) days after becoming aware of such defect.

- v) The lessee will be allowed to remove all the installation (Machineries) that were put in place during the lease period
- vi) The lessor shall not hold the lessee responsible or liable for any damage to the demised premises resulting from fire (unless the fire has occurred due to the negligence of the lessee), flood, riot, earthquake, storm, war, civil disturbances, acts of God and other conditions over which the lessee shall have no control and the lessee shall at their own cost and expenses take up reasonable insurance in that behalf.
- vii) That, there is no Case pending in any court or tribunal within the United Republic of Tanzania relating to the demised premises that would prejudice the Lease herein granted to the Lessee.
- viii) The lessor undertakes to sign any document where his signatures as the owner of the demised premises is an essential requirement for submission by the lessees to various authorities to obtain regulatory or other clearances for the setting up its offices/business.
- ix) Upon expiration of the Tenancy period the parties hereby will be at liberty to review the rent to match with the market value.

#### **MISCELLANEOUS PROVISIONS**

**(a)FAILURE TO PERFORM:**If Landlord fails to perform any of the covenants, provisions, or conditions contained in this Agreement on its part to be performed within thirty (30) days after Tenant's written notice of default to Landlord (or if more than thirty (30) days shall be required because of the nature of the default, if Landlord shall fail to promptly commence performance within such thirty (30) day period and thereafter proceed diligently to cure the default), then Landlord shall be liable to Tenant for damages sustained by Tenant as a direct result of Landlord's breach as described below but Tenant shall not be entitled to terminate this Agreement as a result thereof or to set off any such damages against Rent otherwise due Landlord. For purposes of this Agreement, damages sustained as a direct result of Landlord's breach shall only include the following: (a) the actual costs of replacement, repair, or restoration of Tenant's tangible property or the tangible property of third parties for which Tenant is responsible, to the extent the damage or destruction of such tangible property occurred as a direct result of Landlord's breach; and

(b) actual damages awarded to third parties by courts of competent jurisdiction against Tenant but only to the extent such damages are directly attributable to Landlord's breach; and all other consequential damages (including, but not limited to, damages for lost profits) are hereby expressly waived by Tenant and shall not be recoverable against Landlord. Notwithstanding anything to the contrary elsewhere in this Agreement, (i) Tenant shall be barred from asserting any claim or demand against Landlord hereunder unless Tenant commences an action thereon within six (6) months after the date of the action, omission, or event to which the claim or demand relates, and (ii) Landlord shall not be liable to Tenant for any aggregate amount greater than the value of Landlord's interest in the Premises less the sum of all liens recorded against Landlord's interest in the Premises from time to time

**(b) ASSIGNMENT & SUBLETING**

any portion of the Premises, or hypothecate this Lease or Tenant's interest in and to the Leased Premises in whole or in part, or otherwise permit occupancy of all or any part of the Premises by anyone with, through or under it, without first procuring the written consent of Landlord, which may be withheld in Landlord's sole discretion. Any attempt at a transfer shall be null and void and confer no rights upon a 3rd person. These prohibitions shall not be construed to refer to events occurring by operation of law, legal process, receivership, bankruptcy, issuance of stock to the public, or otherwise. A transfer of more than 50% of the voting ownership interests of Tenant in one or a series of related transactions shall be deemed to be an assignment of this Lease No Assignment or Subletting. Tenant shall not transfer, assign, sublet, enter into license or concession agreements with respect to.

**(C) HOLD HARMLESS**

(1) **Assumption of Risk.** Tenant as a material part of the consideration of this Agreement hereby assumes all risk of damage to property or injury to persons in, upon, or about the Premises from any cause other than Landlord's sole gross negligence or willful misconduct, and Tenant hereby waives all claims in respect thereof against Landlord.

(2) **Indemnity.** Tenant shall indemnify and hold Landlord harmless against and from any and all liability, claims, judgments, or demands arising from Tenant's use of the Premises for the

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conduct of its business or from any activity, work, or other thing done, permitted, or suffered by Tenant in, on, or about the building, or arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Agreement.

**(3) Waiver of Liability.** Landlord and its agents shall not be liable for any damage to property entrusted to employees of the building, nor for loss or damage to any property by theft or otherwise, nor for any injury or damage to persons or property. Tenant shall give prompt notice to Landlord in case of fire or accidents in the Premises or in the building, or of defects therein, or in the fixtures or equipment.

**(D) TENANT'S INSURANCE.** Tenant shall, at its sole cost and expense, commencing on the Rent Commencement date and continuing thereafter during the term, procure, pay for, and keep in full force and effect all types of insurance as required by law. Landlord will not be liable for any loss, damage, or theft under any circumstances.

**(E) DEFAULTS BY TENANT: Events of Default.** Tenant shall be in default under the terms of this Agreement if:

(1) Tenant fails to make any payment of Rental within three (3) days after written notice;

(2) Tenant commits a breach of any of its obligations under the Agreement other than the failure to make a payment of Rental, including, but not limited to, Tenant's being in default in the prompt and full performance of any its promises, covenants, or agreements herein contained for more than a reasonable time, in no event to exceed ten (10) days, after written notice thereof from Landlord to Tenant describing the nature of the default in reasonable detail;

## **7. NOTICE FOR RENEWAL OF THE AGREEMENT.**

If the Lessee shall be desirous of taking a new lease of the demised premises after the expiration of the terms hereby agreed, the Lessee shall deliver to the Lessor notice in writing not less than three (03) months before the expiration of the terms hereby agreed.

## **8. DISPUTE RESOLUTION CLAUSE**

All disputes or differences whatsoever which shall arise between the parties hereto concerning this lease shall be referred to the arbitrator to be appointed by the parties

decision which shall be governed by the provisions of the Arbitration Act, [Cap 15 R.E. 2019] or any statutory modification. The decision of the arbitrator shall be final and conclusive in respect of that dispute; however, this shall not preclude the High Court of Tanzania to review the said decision.

**9. LAWS APPLICABLE.**

The construction, validity and performance of this lease shall be governed in all respects by the laws of the United Republic of Tanzania

**10. FORCE MAJEURE:** It is further agreed that none of the parties to the agreement shall be liable for failure to perform their respective obligations so long as observance or performance of such obligations is prevented by *Force majeure*.

**11. TERMINATION OF AGREEMENT:** The parties acknowledge that there may arise circumstances during the term of this lease agreement which may either compromise continuity of the use of the premises for the business or the lessee may intend to discontinue with business due to commercial or any reasons. In such event either party to this contract shall give each other a minimum of thirty (30) days prior written notice of the intention to terminate this lease agreement and shall settle any claims arising between them if any

**IN WITNESS WHEREOF** the parties hereto have executed these presents in the manner and on the day hereinafter appearing.

**SIGNED and DELIVERED at Dar es Salaam**  
**By DEUS GABRIEL RUTAKYAMIRWA**  
Who is personally known to me or introduced to me  
By ....., the latter being  
Known to me personally in my presence this  
.....day of July 2024

**BEFORE ME;**

Signature: .....

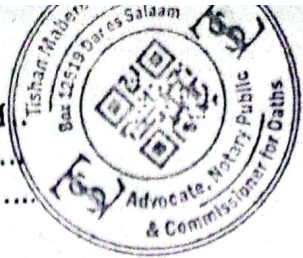
**SIGNED and DELIVERED at Dar es Salaam**  
**On Behalf of STONE FLOWER COMPANY LIMITED**  
By ....., the latter being  
Who is personally known to me or introduced to me  
By ....., the latter being  
Known to me personally in my presence this  
.....Day of July 2024



**COMPANY SEAL**



NAME.. *Albert Julius Lemons*  
POSITION.. *Operations Manager*  
SIGNATURE.. *[Signature]*



**BEFORE ME;**

Signature: *[Signature]*

