



LEASE AGREEMENT

Made This 24th Day of May 2017

BETWEEN

AZAM SHAHBECK MOHAMED, of P.O. Box 15471, Dar es Salaam

AND

FUJIAN HEXINGWANG INDUSTRY TANZANIA CO. LTD of P.O. Box 63069
Dar es Salaam

DRAWN BY:

Access Law Chambers
Regent Estate, Bagamoyo Road
2nd Floor Attkkha Building
P. O. Box 32080
Dar es Salaam.

FUJIAN HEXINGWANG INDUSTRY
TANZANIA CO. LTD
P. O. Box 63069

LEASE AGREEMENT

THIS LEASE AGREEMENT is made this 24th day of May.....2017

BETWEEN

AZAM SHAHBECK MOHAMED, of P.O BOX 15471, Dar Es Salaam (hereinafter called "the Lessor"), natural person and resident of Dar es Salaam, which expression shall where the context so admits include his successors, assignees and agents of the one part.

AND

FUJIAN HEXINGWANG INDUSTRY TANZANIA CO. LIMITED of P.O. Box 63069, Dar es Salaam (hereinafter called "the Lessee"), a limited company registered under the Laws of Tanzania which expression shall where the context so admits include his successors, assignees and agents, of the other part.

WHEREAS

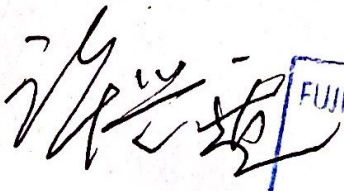
- A. The Lessor is the lawful owner of the premises registered under the name of AZAM SHAHBECK MOHAMED Plot no. 24 Block C, with title no. 155953 MG, L.O NO. 467117, Located at Kisemvule – Mkuranga, Kilwa Road, Coastal Region. (Hereinafter referred to as "the Demised Property"). That the Lessor ensures that the whole compound is well managed, secured and there is no interference with other tenants.
- B. The Lessor is desirous of leasing part of the premises a approximate of 9000 Square Metre as surrounded by boundaries to the Lessee part of the main plot on the said demised premises to hold and enjoy the same for business purposes on steel and metal related factory as terms and conditions hereinafter appearing.



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DAR ES SALAAM

NOW THIS AGREEMENT WITNESSETH as follows:-

1. In consideration of the rent to be paid by the Lessee, the Lessor doth hereby leases to the Lessee, all the fixed properties contained namely, the warehouse with 1,400 square metre, One House with 3 bedrooms, 1 master bedroom, 2 toilets, one kitchen, One small house with two rooms, 5 servant toilets and the elevated water tank in the demised premises situated for the term and upon the conditions herein stipulated.
2. The Lessor hereby demises unto the Lessee approximate space of 9000 Square Metres as surrounded boundaries of the demised property TOGETHER WITH the right of access TO HOLD into the Lessee for a term of TEN (10) YEARS with an option to renew commencing on 01st day of June, 2017 to ,31st day of May, 2027 at a rent of USD 3000 per month thus the Lessee shall pay USD36,000 (Thirty Six Thousand United States Dollar Only) exclusive of withholding tax payable on yearly basis and paid in one installment in every 12 months upon execution of the lease agreement. Payments shall be made by Bank transfer or by cash (if it is by bank transfer, the Lessor shall provide his Bank details for the said transaction) and acknowledgement of receipt of payment in advance shall be attached forming part of the agreement.
3. The rental payment shall remain the same for the period of three years, After expiration of the Three years rental period, the fourth year to the sixth year of the rental period, rent shall raise at 10% of the rental sum basing on the rent of USD3000 per month, and the seventh year to the tenth year, the rent shall raise at 20% of the rental sum calculated from the initial rent of USD3000 per month respectively.
4. Parties are at liberty to discuss the said rental payment on table discussion and any outcome whatsoever shall be in writing and dully signed by parties.
5. Rent shall be paid at the beginning of the first month of any rental period by the Lessor issuing the Lessee with an invoice to that respect which shall be honored within 30 days. If rent remains unpaid for the entire 30 days period, the Lessor shall charge monthly interest at the rate of 1% for 60 (Sixty) days after the payment period and if the Lessee continuously defaults, the Lessor shall terminate the agreement after the sixty days.



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payment period and if the Lessee continuously defaults, the Lessor shall terminate the agreement after the sixty days.

6. The Lessee has rights to factory design of her choice being it steel and metal like products or any other products as per the wishes of the Lessee. And the Lessee may make any alterations to the demised premises without obtaining the written consent of the Lessor. Any fixtures, additions or structure so placed shall be and remain the property of the Lessee and may be removed there from by the Lessee prior to vacating the premises; and the Lessee, shall restore the premises to the same condition under this Lease, except reasonable and ordinary wear and tear and damage by the elements or by circumstances over which the Lessee has no control.
7. The Parties hereby agree that if the tenancy hereby created, shall not be terminated for any reasons whatever at the instance of the Lessor, including sale, mortgage, assignment or any other disposition of the Demised Property to a third party. Otherwise the Lessor shall give a 90 days' notice to the Lessee before such disposition subject to entitlement of compensation of Rent paid in advance for unexpired term of the Lease and the loss of business and investment.
8. If the Lessee is desirous of taking a new lease of the Demised Property after the expiration of the term hereby granted and of such her desire to the Lessor, give notice in writing not less than 90 days before the expiration of the said term then the Lessor shall at or before the expiration of the term hereby granted, grant to the Lessee a new lease of the Demised Property for a further term to commence from and after the expiration of the term hereby granted at the same Rent or at a Rent to be agreed between the parties hereto not less than three months before the expiration of the said term.
9. The Lessor is bound to pay any land rents (municipal land rent), any rent concerning the property except for 10% Withholding Tax to Tanzania Revenue Authority (TRA) and stamp duty of 1% which shall be at the expense of the Lessee, copy of proof for such payments shall be exchanged by parties.

10. The Lessee is strictly prohibited to use the Demised Premises on storing or producing any kind of alcohol nor cutting any of the trees without prior consent by the Lessor.

11. That the Lessee shall be free to utilize all common areas and facilities.

12. The Lessee shall enjoy free occupancy and use of all buildings attached to the demised premises which shall be used as warehouse, maintenance areas, resident buildings and as offices also. Subject to reasonable usage for the same.

13. The Lessee shall have all and exclusive rights to its machinery and implements be free to purchase and install equipment to be used in its business and shall, without any prohibition and interruption, be free to remove any machinery or equipment from the premises otherwise the Lessor will be in breach of the contract and the Lessee shall be entitled to terminate the agreement accordingly.

14. THE LESSEE HEREBY COVENANTS with the LESSOR;

- i. To deliver vacant possession of the demised premises to the Lessor in habitable conditions.
- ii. To maintain the demised premises and repair any defects arising at the tenancy period.
- iii. To permit the Lessor and his agents and other persons authorized in writing by the Lessor to enter the demised property at all reasonable times during day time with prior consent, such consent not to be unreasonably withheld, for the purposes of viewing the condition of the demised property.
- iv. Not to assign, sublet or part with the possession of the Demised Property hereby demised without the written consent and permission of the Lessor.
- v. On the expiration of the lease term to deliver up the demised property to the Lessor with all keys, locks and fasteners in good repair and condition, reasonable wear and tear accepted.
- vi. The Lessee shall buy insurance cover for its own business against any contingencies. The Lessor shall not be responsible to any damage caused by fire, nor additional payments or legal responsibilities or otherwise to other

tenants or workers due to its operations all shall be claimed from insurance company.

- vii. The Lessee has the responsibility of hiring the security guard for the demised property.
- viii. The Lessee shall abide to the Tanzanian laws and regulation pertaining to the conducts of business in Tanzania, any default whatsoever the Lessee should bear the consequence.
- ix. The Lessee shall pay water and the electricity bills according to its usage on rental period.

15. THE LESSOR COVENANTS with the Lessee AS FOLLOWS:

- (i) To give vacant possession of the Demised Property to the Lessee, free of any kind of occupation.
- (ii) The Lessee has the right to ownership of the properties, being it machinery and building purchased or built by the Lessee, the Lessor is vehemently denied / refused to prevent or interfere with the dispose or transfer of the Lessee's properties.
- (iii) Not to sale, mortgage, assignment or any other disposition of the Demised Property to a third party. Only that, the Lessor shall give a 90 days' notice to the Lessee before such disposition subject to entitlement of compensation of Rent paid in advance for unexpired term of the Lease and the loss of business and investment.
- (iv) To allow installation of a sufficient KVA electric power line for running the factory from TANESCO installed in the compound. The line shall be dedicated solely to the Lessee. And the Lessee shall pay for equipment and installation of the electricity line.

PROVIDED ALWAYS and it is hereby agreed as follows;

16. That the tenancy hereby created shall be determinable at the option of the Lessee at any time and without any repercussions by giving the Lessor a 3 months' notice in writing. The Lessor shall not terminate the agreement prior to its expiration except in the circumstance on failure by Lessee to pay rent in accordance to this agreement.



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17. The Lessor shall provide the existing warehouse building plan and the Lessee shall be at liberty to construct more buildings to the satisfaction of the factory at the square metres of the demised premises.

18. That any demand for payment or notice requiring to be made upon or given to the Lessee shall be sufficiently made or given if sent by the Lessor or his agents through the post by registered letter addressed to the Lessee, and that notice requiring to be given to the Lessor shall be sufficiently given if sent by the Lessee through the post by registered mail addressed to the Lessor at his usual or last known place of residence AND that any demand or notice sent by post in either case shall be assumed to have been delivered in the usual course of post.

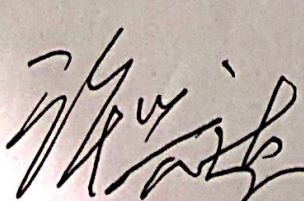
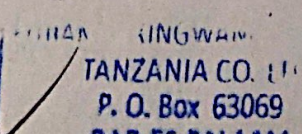
19. The Lessee shall process registration and obtain the National Environment Management Council (NEMC) certificate.

20. That the Lessee has inquired and the Lessor states that the premises are not subject to any mortgage of security arrangements for the Lessor or any other third party or any probate claims and should it occur on the contrary, the Lessor shall reimburse the Lessee with rent for unexpired rental term and compensate for the investment, loss of business and disturbance.

21. This lease shall be in English Language and shall be executed in two copies each of which shall be treated as original, governed, construed and registered in accordance with the laws of United Republic of Tanzania.

22. Any dispute shall be deemed to have arisen when either Party notifies the other Party in writing. The Parties shall use all reasonable efforts to resolve any dispute that may arise under this Lease Agreement amicably failure of which parties to this Lease Agreement shall refer the matter to courts of law with competent jurisdiction.

23. This agreement shall be attached with the Lessee's copies of business licenses, as well as the Acknowledgement of Payments, Certified copy of the title deed and factory plan.


 



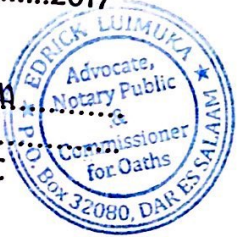
IN WITNESS WHEREOF the parties herein have hereto signed this agreement on the day, month, year and the manner as hereinafter appearing.

SIGNED AND DELIVERED at Dar es Salaam by the said AZAM SHAHBECK MOHAMED who is known to me Personally /identified to me by..... the latter being personally known to me in my presence this 24th day of May 2017

[Signature]
LESSOR



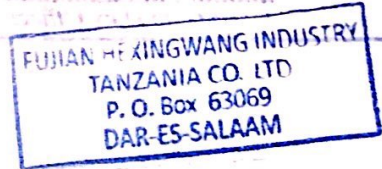
BEFORE ME:
Name... EDRICK LUIMUKA
Signature...
Qualification NOTARY PUBLIC



SEALED & STAMPED at Dar es Salaam by the said Director of FUJIAN HEXINGWANG INDUSTRY TANZANIA CO. LIMITED who are known to me personally /identified to me by..... the latter being personally known to me in my presence this 24th day of May 2017

[Signature]
SEAL
LESSEE

Name... Xu Xingda
Signature...
Address... P.O. box 63069
Qualification The Director



Name... Xu Yuzhen
Signature...
Address... P.O. box 63069
Qualification The Director

BEFORE ME:
Name... EDRICK LUIMUKA
Signature...
Qualification NOTARY PUBLIC

