

Dated _____ 2023

AMANI RESORT LIMITED
(as Vendor)

and

EMCO TANZANIA LIMITED
(as Purchaser)

AGREEMENT FOR SALE

in respect of

**LANDED PROPERTIES LOCATED ON PLOTS NUMBER 1,2,4,5,6 AND 7, BLOCK
A, AMANI GOMVU AREA, TEMEKE, DAR ES SALAAM, REGISTERED UNDER
CERTIFICATE OF TITLE NO. 43366**



This agreement is entered into and made this _____ day of _____ 2023

BETWEEN:

- (1) **AMANI RESORT LIMITED**, a company limited by shares duly incorporated in Mainland Tanzania under the Companies Act with registered company number 85214, whose address for the purposes of this Agreement shall be P.O. Box 542, Dar es Salaam, Tanzania (hereinafter referred to as the "the **Vendor**", which expression shall, where the context so admits, include their successors and assignees in title) acting for and on behalf of this part;

and

- (2) **EMCO TANZANIA LIMITED**, a private company duly incorporated in Mainland Tanzania under the Companies Act with registered company number is 3780 and whose address for the purposes of this Agreement shall be 180 Saza Road, P.O. Box 9273, Dar es Salaam, Tanzania (hereinafter referred to as "the **Purchaser**", which expression shall, unless the context does not so permit, include its successors in title and permitted assigns) of the other part;

The Vendor and the Purchaser hereinafter together referred to as the **Parties**, and the term **Party** shall refer to any one of them as the context may require.

WHEREAS

The Vendor is the legal owner of the landed property located on a piece of land registered as Plots Number 1,2,4,5,6 and 7, Block A, Amani Gomvu Area, Temeke, Dar es Salaam under Certificate of Title No. 43366, L.O. No. 152949 (hereinafter referred to as "the **Landed Property**") and has agreed to sell the Landed Property to the Purchaser upon the terms and conditions to be set out in this Agreement.

IT IS THEREFORE AGREED AS FOLLOWS:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

For the purposes of this Agreement and the preamble above, unless the context requires otherwise:

- 1.1.1 "**Agreement**" means this sale agreement;
- 1.1.2 "**Assets**" means the assets (other than the Landed Property) of the Vendor to be purchased by the Purchaser pursuant to the Assets Purchase Agreement;
- 1.1.3 "**Assets Purchase Agreement**" means the agreement even-dated with this Agreement between the Purchaser and the Vendor for the purchase of the Assets;
- 1.1.4 "**BRELA**" means the Business Registration and Licencing Agency;
- 1.1.5 "**Business Day**" means a day other than a Saturday, Sunday, or public holiday on which banking institutions are generally open for the conduct of banking business in Mainland Tanzania;
- 1.1.6 "**Cancelation Date**" means the date on which the Commissioner/Registrar of titles will cancel the Title Deed;

Hundred and Seventy-Five Thousand (USD 4,375,000), creating an Encumbrance on the Landed Property;

- 1.1.22 **"Mortgagee"** means I&M Bank (T) Limited of P.O. Box 1509, Dar es Salaam;
- 1.1.23 **"Outgoings"** means land rent, land rates and property taxes, water and electricity and any other applicable utilities charges relating to the occupation or use of the Property;
- 1.1.24 **"Parties"** mean the parties to this Agreement;
- 1.1.25 **"Property"** has the meaning given to it in Recital A and references to the Property shall include the land comprising the buildings, fixtures and improvements erected and maintained thereon where the context so allows and shall exclude movable properties, intangible assets, if any, and stock in trade;
- 1.1.26 **"Purchase Price"** means the sum of United States Dollars Two Million (USD. 2,000,000=/) plus VAT equal to eighteen percent (18%) of the gain, if applicable;
- 1.1.27 **"Purchaser's Advocates"** means Anjarwalla & Khanna Tanzania, of the Address Building, Ground Floor, 1 Bains Singh Avenue, Msasani Peninsula, P.O. Box 79651, Dar-es-Salaam, Tanzania;
- 1.1.28 **"Registry"** means Land Registry under the Ministry of Lands, Housing and Human Settlements Development of the United Republic of Tanzania;
- 1.1.29 **"Related Transactions"** means the sale and purchase of the Assets in the manner contemplated under the Assets Purchase Agreement;
- 1.1.30 **"Security Discharge Documents"** means all the documents required to be filed at the Ministry for the discharge of the I&M Mortgage;
- 1.1.31 **"Signature Date"** means the date of this Agreement;
- 1.1.32 **"Surrender Date"** means the date upon which the Commissioner of Lands accepts the application for surrendering the Right of Occupancy by signing a deed of surrender and notifies the Vendor of such acceptance.
- 1.1.33 **"Surrender"** means the surrendering of the right of occupancy to the property evidenced by Certificate of Title No. 43366 to the Commissioner for Lands (which right of occupancy is, as at the signature date, in the name of the Vendor)
- 1.1.34 **"TIC"** means the Tanzania Investment Centre;
- 1.1.35 **"Title Deed"** means Certificate of Title Number 43366, over the Property;
- 1.1.36 **"TRA"** means the Tanzania Revenue Authority, being the principal tax authority of the United Republic of Tanzania;
- 1.1.37 **"TZS"** means the lawful currency of the United Republic of Tanzania;
- 1.1.38 **"United States Dollars or USD"** means the lawful currency of the United States of America;
- 1.1.39 **"VAT"** means value added tax pursuant to the Value Added Tax Act (Act No. 10 of 2014, Laws of Tanzania);

and all loss or damage and all payments, costs or expenses made or incurred by that person as a consequence of or which would not have arisen but for that circumstance;

- 1.2.10 any covenant by a Party not to do an act or thing shall be deemed to include an obligation not to permit or suffer such act or thing to be done by another person so far as this is within the Party's power or control; and
- 1.2.11 reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted and shall include any subordinate legislation made from time to time under that statute or statutory provision provided that, as between the Parties, no such amendment, modification or re-enactment made after the Signature Date shall apply for the purposes of this Agreement to the extent that it would impose any unreasonable new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, the Purchaser.
- 1.2.12 All the headings and sub-headings in this Agreement are for convenience only and are not to be taken into account for the purposes of interpreting it.
- 1.2.13 Any reference to a **day** in this Agreement shall mean a period of twenty four (24) hours running from midnight to midnight and when any number of days (or Business Days) is prescribed in this Agreement, the same shall exclude the first and include the last day or Business Day and any relevant action or notice may be validly done or given on the last day.
- 1.2.14 The Parties agree that this Agreement is a commercial contract that has been negotiated and drafted jointly by sophisticated parties who have been given the opportunity to instruct Advocates of the High Court of Tanzania and subordinate Courts thereto and no rule of contract, construction or interpretation pursuant to which ambiguities are construed against the party who drafted the contract shall be applied to the construction or interpretation of this Agreement.

2 AGREEMENT FOR SALE AND PURCHASE

- 2.1 Subject to the satisfaction or waiver of the Conditions Precedent to Completion, the Vendor hereby agrees to sell, and the Purchaser agrees to purchase:
 - 2.1.1 the Landed Property, inclusive of all buildings, improvements and fixtures thereon but otherwise on an 'as is' basis, for the Purchase Price; and
 - 2.1.2 all of the Vendor's rights against third parties relating to the Landed Property, including rights under any warranties, conditions, guarantees or indemnities.
- 2.2 The Vendor agrees to sell the Landed Property free from any Encumbrances (other than the I&M Mortgage, which shall be discharged upon payment of the Purchase Price in full) and the Property shall be sold with vacant possession.
- 2.3 The Landed Property transfer will be deemed completed at Completion Date.

- 4.1.4 original land rent/rates payment receipts for the Property for the three (3) years immediately prior to the Surrender Date;
 - 4.1.5 a tax clearance certificate from the TRA in respect of the sale of the Property and confirming payment of all taxes related with the transfer of the Property are paid up to date;
 - 4.1.6 consents, authorizations, approvals and/or documents as may be appropriate or necessary to procure the issuance of the Derivative Title by TIC to the Purchaser; ;
 - 4.1.7 all appropriate receipts evidencing full payment of the Outgoings in respect of the Property up to the Cancellation Date; and
 - 4.1.8 letters to the utility service providers (if any) requesting for the transfer of the utility accounts to the Purchaser;
 - 4.1.9 Form 104 (Declaration of Satisfaction in Full of the Mortgage) pursuant to Section 104 of the Companies Act;
 - 4.1.10 any other document required for the issuance by TIC of the Derivative Title; and
 - 4.1.11 copies of all documents required to be filed at BRELA and subsequently at the Registry of Titles for the discharge of the I&M Mortgage being filed at the Registry of Titles and the respective mortgage created over the Property being discharged.
 - 4.1.12 Notwithstanding the above provisions, Completion is conditional on the completion of the Related Transactions unless it is otherwise mutually agreed in writing by both Parties;
- 4.2 The Vendor shall request the Mortgagee to release the original Title Deed and shall surrender the Title Deed to the Commissioner for processing and issuance of a derivative right issued by the TIC in the name of the Purchaser. The Purchaser and the Vendor will work jointly to ensure successful completion of issuance of a derivative right in the name of the Purchaser.
- 4.3 The Purchaser and the Vendor shall use their respective best endeavours to procure that the Conditions Precedent to Completion set out in clause 4 are satisfied as expeditiously as possible.
- 4.4 In the event that the Vendor is unable to complete or avail any of the documents or actions required from them within fourteen (14) Business Days to satisfy the Conditions Precedent to Completion, the Purchaser shall give the Vendor at least ten (10) Business Days' notice in writing confirming the Purchaser's readiness to continue with the sale in all respects and requiring the Vendor to satisfy the Conditions Precedent to Completion, before the expiration of such notice **AND** if the Vendor shall fail to comply with such notice the Purchaser may terminate this Agreement without prejudice to any other rights or remedies available to the Purchaser.
- 4.5 The Vendor's Advocates shall confirm to the Purchaser's Advocates in writing when they have all the documents required from the Vendor for the Conditions Precedent to Completion and shall send the documentation to the Purchaser's Advocates.

not be held responsible in the event that the issuance of the Derivative Title is delayed or fails for reasons not attributable to the Vendor.

- 6.1.8 Notwithstanding the provisions of clause 6.1.7 of this Agreement, the Vendor undertakes to rectify any such anomalies that may occur following completion of the surrender as a result of its representation, warranties and assurance as expressly set out under clause 13 of this Agreement. The Vendor shall remain liable for any default that may occur as a result of the misrepresentation or breach of warranty until such time when the Derivative Title is issued under the name of the Purchaser.

7 COSTS AND RESPONSIBILITY FOR SALE STEPS

- 7.1 Subject to the remaining provisions of this clause 7 and any other provision of this Agreement to the contrary (or unless agreed otherwise in writing by all Parties), each Party shall be responsible for the fees of its legal advisers in connection with this Agreement and the sale and purchase of the Property and for all other fees, costs and expenses incurred as a result of preparing this Agreement and the implementation thereof or any part thereof.

7.2 Costs for Transfer of Title:

7.2.1 The Vendor shall be responsible for processing the surrender of the granted right of occupancy including payment of associated costs but excluding such costs stated as payable by the Purchaser in clause 7.2.3 below. Without prejudice to the generality of the foregoing, the Vendor shall meet the following expenses to transfer the title from the Vendor to the Purchaser:

- (a) the Capital Gains Tax Amount if any; and
- (b) any Outgoings up to the Surrender Date.

7.2.3 The Purchaser shall pay the following costs for the transfer of the title from the Vendor to the Purchaser:

- (a) stamp duty to the extent reasonably assessed by the TRA;
- (b) all the costs of application of the derivative right from the TIC; and
- (c) approval and registration fees payable to the Ministry for the issuance of the Derivative Title.

8 OUTGOINGS & POSSESSION

- 8.1 The Landed Property is to be sold with vacant possession upon full payment of the Purchase Price in the Escrow Account.

8.2 Following full payment of the Purchase Price as set out above and not exceeding five (5) days from the date of full payment of the Purchase Price, the Vendor shall give vacant possession of the Landed Property to the Purchaser on an exclusive basis and provided that all costs related to the Landed Property, including any maintenance and upkeep and any liability which may arise after taking over possession of the Landed Property shall be borne by the Purchaser except for any Outgoings and third parties liabilities prior to the Purchaser taking over.

8.3 All Outgoings of the Property (if any) shall be:

- 8.3.1 for the account of the Vendor before and including the date when the Purchaser takes over the possession; and
- 8.3.2 for the account of the Purchaser from the date when the Purchaser takes over physical possession of the Landed Property

11.3 The Vendor shall indemnify the Purchaser on a full and unqualified basis should there be any breach of warranty, condition or representation made by the Vendor in this Agreement.

12 PURCHASER'S WARRANTIES

12.1 The Purchaser warrants to the Vendor that:

- 12.1.1 the Purchaser's details set out in the Parties clause are true and correct;
- 12.1.2 the Purchaser has the capacity and power to enter into and perform, and has taken all necessary action to authorise the entry into and performance and delivery of, this Agreement, including that:
 - (a) it has the power, as provided by paragraph 3 (a) (1) of its Memorandum of Association, to purchase the Property; and
 - (b) it has obtained internal corporate approval to enter into the purchase of the Property by way of the board resolution passed on _____ 2023;

12.2 the entry into and performance by the Purchaser of its obligations under this Agreement do not and will not conflict with:

- 12.2.1 any existing law or regulation or judicial or official order to which it is subject;
- 12.2.2 its constitutional documents; or
- 12.2.3 any contractual obligation of the Purchaser or any document which is binding upon the Purchaser.

12.3 The Purchaser's warranties in clause 12.1 are, unless otherwise disclosed in writing to the Purchaser after the date hereof in relation to facts and circumstances occurring after the date hereof, deemed to be repeated on each day as from the Signature Date up to the Surrender Date, by reference to the facts then existing.

12.4 The Purchaser shall, so far as the same is within its lawful control, ensure that nothing is done or omitted to be done which would, at any time before or at the Surrender Date, be materially inconsistent with any of the Purchaser's warranties in clause 12.1, breach any such warranty or make any such warranty untrue or misleading, save that nothing in this clause shall oblige the Purchaser to do or procure the doing of anything so far as any such inconsistency, breach or untruth results from a change in law after the Signature Date.

12.5 The Purchaser will immediately disclose in writing to the Vendor any events or circumstances which may arise or become known to it after the Signature Date which are inconsistent with any of the Purchaser's warranties in clause 12.1 or which, had they occurred on or before the last date that such warranty is deemed repeated under clause 12.3 would have constituted a breach of such warranties.

12.6 The Purchaser shall not be liable for a claim by the Vendor for damages in respect of the Purchaser's warranties in clause 12.1 unless notice in writing of the claim, summarising the nature of the claim and the amount claimed, has been given by the Vendor to the Purchaser and the breach of the Purchaser's warranties is proved.

13 VENDOR'S WARRANTIES

13.1 The Purchaser enters into this Agreement on the basis of, and in reliance on, the Warranties set out in clauses 13.2:

13.2 The Vendor hereby covenants, represents and warrants to the Purchaser that:

- 13.2.10 the Vendor has not received any notices from the Government or any local authority or from owners of adjoining properties and the Vendor has disclosed to the Purchaser all such notices (if any) received;
- 13.2.11 the Vendor has disclosed to the Purchaser all material information relating to the Property; and
- 13.2.12 each Warranty is true, accurate and not misleading.

14 TERMINATION

- 14.1 This Agreement shall terminate:
 - 14.1.1 as elsewhere set out in this Agreement; or
 - 14.1.2 upon written agreement by all Parties at any time.
- 14.2 Termination of this Agreement shall be without prejudice to any rights, liabilities or remedies arising under this Agreement prior to such termination.

15 ASSIGNMENT

- 15.1 The Purchaser may assign, or grant any Encumbrance over, any of its rights under this Agreement or any document referred to in it and may fully novate and transfer its rights and liabilities under this Agreement or any document referred to in it to any person.
- 15.2 Except as otherwise provided in this Agreement, no Warrantor may assign, or grant any Encumbrance over, any of its rights under this Agreement without the prior written consent of the Purchaser.
- 15.3 The rights and obligations of the Parties shall continue for the benefit of, and shall be binding on, their respective permitted assignees and successors in title.

16 ENTIRE AGREEMENT

- 16.1 This Agreement, and any documents referred to in it, constitute the whole agreement between the Parties and supersede any previous arrangement, understanding or agreement between them relating to the subject matter they cover. Each Party acknowledges that in entering into this Agreement and any documents referred to in it, it is not relying on and shall have no right or remedy in respect of any statement, misrepresentation, assurance or warranty (whether of fact or of law and whether made innocently or negligently) of any person other than as expressly set out in this Agreement or those documents or as made fraudulently.

17 MISCELLANEOUS

- 17.1 Any waiver of any right under this Agreement is only effective if it is in writing and signed by the waiving or consenting Party and it applies only in the circumstances for which it is given and shall not prevent the Party who has given the waiver or consent from subsequently relying on the provision it has waived.
- 17.2 No failure or delay to exercise any power, right or remedy by any Party under this Agreement or by law shall operate as a waiver of that right, power or remedy or shall prevent any future exercise in whole or in part thereof and no single or partial exercise by any Party of any right, power or remedy shall preclude or restrict its further exercise or the exercise of any other right, power or remedy.

SEALED with the COMMON SEAL of
AMANI RESORT LIMITED and DELIVERED
at Dar es Salaam in our presence this 21st
day of August, 2023



Name: ABDULHAMID HAFIIM ISMAIL
Designation: Director
Signature: [Handwritten Signature]
Address: P.O BOX 542, DAR-ES-SALAAM

Name: RUPINDER SINGH SANDHU
Designation: Director / Secretary
Signature: [Handwritten Signature]
Address: P.O BOX 542, DAR-ES-SALAAM.