

TENANCY AGREEMENT

THIS AGREEMENT is made on the 6th day of January, 2022

BETWEEN

Ubungo Spinning Mill Ltd, a limited liability company incorporated under the Companies Ordinance (Cap. 212) of Post Office Box Number 3835, Dar es Salaam, Tanzania ("LANDLORD") of the first part.

AND

Colours& Compounds Ltd, a limited liability company incorporated under the Companies Ordinance (Cap. 212) of Post Office Box Number 5636, Dar es Salaam, Tanzania ("TENANT") of the second part.

WHEREAS

The TENANT is desirous of acquiring from LANDLORD warehouse space located in Plot 21/22 in Ubungo, Dar es Salaam ("demised premises") on rental basis for industrial use.

NOW THEREFORE THIS AGREEMENT WITNESETH AS FOLLOWS:

1. This tenancy agreement is for a period of 5 Years, commencing from 1st February, 2022 until 31st January 2027. Extendable for further 5 years rental agreements by the Landlord under same conditions with a review after 5 years.
2. The monthly rent shall be USD 6,000 plus VAT.(To be Invoiced in TSHS), payable Monthly in arrears for the first year.
3. Rental for Year 2 onwards will be US\$ 7,000 plus VAT to be invoiced in TZ SHS, payable monthly in advance
4. Rental for Year 2 onwards will be US\$ 7,500 plus VAT to be invoiced in TZ SHS, payable monthly in advance
5. The Area includes the two warehouses totaling 3000 sq mts.



6. The following services to be included.
 - a) Free borehole water supply for workers use.
 - b) Sewerage charges will be borne by landlord.
 - c) Parking space at designated area only.
 - d) Provision of clean environment around your premises.
 - e) Power supply and access to the transformers. 3 Phase power to be provided to the unit with a distribution board.
 - f) Separate Billing of Tanesco power consumed by way of debit note be made available to C&C Ltd every month for payment to USM Ltd
7. A minimum of 3 months written notice will be required if either party decides to terminate the agreement before the termination date. Failure to abide shall result in 3 months rental compensation. The landlord will pay compensation of USD 10,000 for moving of factory to new premises if terminated by landlord after giving a minimum termination notice of 6 months provided Force Majeure clause does not apply.
8. This agreement is subject to force majeure by which is meant causes beyond our control, such as war, invasion, civil disobedience, government orders, directives or restrictions or and such and similar causes whatsoever.
9. The TENANT covenants with the LANDLORD as follows:-
 - a) To use the demised premises for purpose spelt out in the preamble to this agreement.
 - b) To pay the reserved rent in the manner herein before provided.
 - c) To not assign, sublet, charge of otherwise dispose of the demised premises before consent in writing of the LANDLORD is first sought and obtained.
 - d) To allow the LANDLORD or any duly authorized agent times to enter upon the demised premises and inspect the condition of same at all reasonable times.
 - e) To keep the exterior and the interior of the demised premises, including doors, windows, plumbing and electrical fittings and other fixtures and fittings, clean and in tenantable repair, and to yield up the same at the determination of the tenancy.
 - f) To compensate the LANDLORD for any damages or theft in the demised premises or the surroundings of the demised premises resulting from its business activity or negligence.
 - g) To be responsible for and provide security to the demised premises, and cover insurance for all its assets stored therein against all kinds of risk. (No claims whatsoever will be entertained by the LANDLORD).
 - h) To ensure that the movement of personal and workforce is be restricted to the demised premises only.
 - i) To get prior written approval from LANDLORD before making any changes in the structure of the buildings and covering all cost related should approval be granted.
 - j) To adhere to all Municipal, City and Country laws and requirements. (The LANDLORD is indemnified and shall not be responsible for any matter related to the TENANT's business activity).
 - k) To provide necessary Government papers such as Certificate of Incorporation, Business license, TIN Certificate and other required papers which may be necessary during the tenure of the agreement.

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10. The LANDLORD covenants with the TENANT as follows:-

- a) To pay for all property and land taxes and other outgoing in respect of the demised premises.
- b) To allow the TENANT, upon compliance with all terms and conditions herein stipulated, peaceful occupation of the demised premise during the currency of this agreement.
- c) To provide limited borehole water for TENANT'S own consumption only.

11. In the event of any dispute arising out of this agreement, parties will use their best endeavor to have an amicable settlement, failing of which parties do hereby agree to refer the dispute to single Arbitrator to be appointed by the parties hereto. Failure to agree upon a single Arbitrator will allow any of the parties to apply to court.

12. This agreement and all documents referred to in it shall be governed and construed in accordance with the laws of the United Republic of Tanzania, with the area of jurisdiction being Dar es Salaam.



IN WITNESS WHEREOF the parties hereto have set their hands to these presents the day and the year hereinafter appearing

SEALED with the COMMON SEAL of
Ubungo Spinning Mill Ltd and DELIVERED
in the presence of us this 4th day of April 2022 }



Signature:

Name:

Designation:

Signature:

Name:

Designation:

SEALED with the COMMON SEAL of
..... and DELIVERED
in the presence of us this 1st day of April 2022 }

Signature:

Name:

Designation:

Signature:

Name:

Designation:

COLOURS & COMPOUNDS LIMITED
P. O. Box 5636
DAR-ES-SALAAM, TANZANIA

