

08/04/2025

The Executive Director,
Tanzania Investment
Centre
P.O. Box 938,
DAR ES SALAAM - Tanzania.

RE: APPLICATION FOR NEW CERTIFICATE OF INCENTIVE

We Directors of **KIKARE CONSOLIDATEDLIMITED** have the Honor to present our humble application to your esteemed office requesting for **DUTY EXEMPTION ON DEEMED CAPITAL GOODS FOR A NEW CERTIFICATE OF INCENTIVES.**

The two **DIRECTORS OF KIKARE CONSOLIDATEDLIMITED** who shall be the contact persons for the company are as stated hereunder:

Yours
faithfully,

ARNOLD MOSHI
Director

NEEMA ARNOLD
Secretary

**KIKARE CONSOLIDATED COMPANY
LIMITED**

BUSINESS PLAN

FOR TRANSPORTATION BUSINESS

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1 KIKARE CONSOLIDATED COMPANY LIMITED OVERVIEW

1.1 Overview of KIKARE Consolidated Company Limited

KIKARE Consolidated Company Limited, incorporated on November 2nd, 2022, emerged as a Mult-Sectoral Company known as KIKARE CONSOLIDATED COMPANY LIMITED from now becoming a pioneering force in Tanzania's transportation sector, driven by a vision to redefine logistics services in the East African region. Founded by Arnold Moshi and Neema Arnold, KIKARE embarked on its journey with a commitment to excellence, integrity, and customer-centricity.

Since its establishment, KIKARE has rapidly expanded its fleet and operational capacity. With a solid foundation built on the acquisition of 16 new trucks within its first years of operation, from barely only two trucks the company swiftly established itself as a reliable partner for transport businesses seeking efficient transportation solutions in Tanzania and beyond. These 16 trucks stand as a testimony to KIKARE's early success, and the trust placed in its services by clients across various industries.

Strategically headquartered in Dar es Salaam at Plot No 17 Obama Road, KIKARE benefits from its central location, positioning it as a pivotal player in the regional transportation network. From this strategic base, KIKARE efficiently coordinates the movement of goods, serving as a vital conduit for trade within Tanzania and across borders.

KIKARE's operations are underpinned by a fleet of modern trucks and a team of skilled professionals dedicated to ensuring the seamless transportation of goods. The company's commitment to reliability, safety, and customer satisfaction has earned it a reputation for excellence in the industry.

Looking ahead, KIKARE is poised for further growth and expansion. With a forward-looking approach, the company aims to procure an additional 59 trucks over the next five years, significantly enhancing its operational capacity and market reach. This ambitious growth strategy reflects KIKARE 's confidence in its ability to capitalize on emerging opportunities and meet the evolving needs of its clientele.

As KIKARE charts its course for the future, it remains steadfast in its commitment to delivering value, innovation, and sustainability. With a clear vision and a track record of success, KIKARE is

well-positioned to continue driving positive change and making significant contributions to Tanzania's transportation landscape in the years to come.

1.2 Investment Objective

The primary objective of **KIKARE Consolidated Company Limited** investment initiative is to **strategically expand and enhance our transportation infrastructure by procuring an additional 59 trucks over the next five years**. This ambitious investment endeavor is aimed at bolstering our operational capacity, improving service efficiency, and capturing a larger market share in Tanzania's dynamic transportation sector.

By increasing our fleet size, KIKARE aims to meet the growing demand for logistics services, both domestically and internationally. The acquisition of these trucks will enable us to offer a wider range of transportation solutions to our diverse clientele, including bulk cargo, raw materials, and finished products.

Furthermore, the investment in additional trucks aligns with our long-term growth strategy, positioning KIKARE as a key player in facilitating trade and commerce across East Africa. By expanding our fleet, we seek to strengthen our presence on key trade routes connecting Tanzania with neighboring countries such as Malawi, Zambia, Democratic Republic of Congo (DRC), Rwanda, Burundi, Sudan, and Kenya.

In addition to fostering business growth, the investment in new trucks underscores KIKARE 's commitment to driving socio-economic development in Tanzania. By creating job opportunities for drivers, mechanics, and administrative staff, we aim to contribute to job creation and skill development within the local community.

Overall, KIKARE Consolidated Company Limited investment objective is to position the company for sustainable growth, profitability, and impact, while delivering value to our customers, employees, and stakeholders alike. Through strategic investments in our transportation infrastructure, we endeavor to solidify our reputation as a trusted partner in the region's transportation and logistics ecosystem.

2.1: FINANCIAL PLANS AND PROJECTIONS

Our financial plan forecasts a year of gradual profit growth, with the profitability's impact factored in loan repayment. We have allocated sufficient investment to cover the cost of borrowing (including interest and principal), operational expenses, and any other liabilities accrued by the business, such as tax payments.

2.1.2 Financing Plan

KIKARE Consolidated Company Limited has established strong and reliable relationships with its banking partners, which are integral to its financing strategy. Leveraging these relationships, the company plans to procure the necessary trucks to expand its fleet.

As part of its financial policy, KIKARE intends to fund 60% of the truck acquisition costs through equity financing, while the remaining 40% will be sourced through debt financing. This balanced approach allows the company to maintain financial stability while also leveraging external funds to support its growth objectives.

Equity financing, representing 60% of the total investment, will amount to USD 1,840,800. It will be sourced from the company's retained earnings, capital contributions from existing shareholders, and potentially new equity investors. This approach ensures that KIKARE retains ownership control and minimizes financial risk associated with excessive debt.

Debt financing, comprising 40% of the investment, will amount to USD 1,227,200. It will be facilitated through loans or credit facilities obtained from its banking partners. KIKARE's positive relationship with these financial institutions enables it to secure favorable lending terms, including competitive interest rates and flexible repayment schedules.

The total investment required for procuring 59 trucks is estimated to be USD 3,068,000. Of this total cost, USD 1,840,800 (representing 60%) will be financed through equity, while USD 1,227,200 (representing 40%) will be financed through debt.

By combining equity and debt financing, KIKARE can optimize its capital structure and effectively manage its financial resources. This approach not only mitigates the need for excessive reliance on debt but also enables the company to capitalize on growth opportunities while maintaining prudent financial management practices.

Overall, KIKARE Consolidated Company Limited financing strategy reflects its commitment to

sustainable growth, prudent financial management, and maximizing shareholder value. Through a balanced approach to equity and debt financing, supported by its strong banking relationships, the company is well-positioned to achieve its expansion goals and enhance its competitive position in the transportation industry.

2.1. Financial Projections – The Business Plan

2.1.1. General Assumptions

Based on the assumptions provided, KIKARE Consolidated Company Limited foresees a stable economic environment with a moderate inflation rate of 3% and a promising GDP growth ranging from 5% to 7% over the next five years. These conditions bode well for the company's expansion and investment plans, fostering a conducive landscape for business growth.

In forecasting foreign exchange dynamics, KIKARE Consolidated foresees an annual depreciation of the Tanzanian Shilling (TZS) against the US Dollar (USD) at a rate of 2%. This anticipated depreciation trend indicates a progressive rise in the exchange rate over the projection period, impacting on the company's ability to purchase imported goods and services denominated in USD.

Taxation remains consistent, with KIKARE Consolidated expecting to maintain a tax rate of 30% throughout the projection period. This steady tax rate provides the company with predictability in its tax obligations, enabling effective financial planning and resource allocation.

As part of its growth strategy, KIKARE Consolidated plans to expand its fleet significantly, from 16 trucks in the baseline year to 75 trucks by Year 5. This expansion signals the company's ambition to capture market opportunities and enhance its operational capacity to meet growing demand.

Furthermore, KIKARE Consolidated aims for optimal utilization of its fleet, with an assumed utilization rate of 90% across the forecast period. This efficiency target underscores the company's commitment to maximizing operational output and minimizing idle resources.

In terms of revenue generation, KIKARE Consolidated expects to conduct three trips per month per track, with the revenue per trip projected to increase gradually over the years. These assumptions reflect the company's confidence in its ability to deliver value-added services and adapt to evolving market dynamics.

Direct operational costs per trip, including labor, fuel, and other charges, have been carefully estimated to provide insights into KIKARE Transport's cost structure and expenditure patterns. Additionally, the allocation of funds for various indirect costs, such as administrative expenses, marketing, training, IT infrastructure, and contingency, underscores the company's strategic focus on organizational development and risk management.

S/N	General Assumptions	Base line	Year 1	Year 2	Year 3	Year 4	Year 5
1	Inflation	3%	3%	3%	3%	3%	3%
2	GDP Growth	5%	6%	6%	7%	7%	7%
3	Exchange Rate USD/TZS (Depeciation 2%)	2,550	2,601	2,653	2,706	2,760	2,815
4	Tax	30%	30%	30%	30%	30%	30%
5	Number of Tracks	16	36	56	75	75	75
6	Fleet Utilization Rate	90%	90%	90%	90%	90%	90%
7	Number of Trip/Month/Track	3	3	3	3	3	3
8	Revenue Per trip	5,000,000	5,150,000	5,304,500	5,463,635	5,627,544	5,796,370
9	Direct Labour Per trip 300k Driver 200k ass	500,000	515,000	530,450	546,364	562,754	579,637
10	Fuel per Trip	2,000,000	2,060,000	2,121,800	2,185,454	2,251,018	2,318,548
11	Fees and other Charges	1,000,000	1,030,000	1,060,900	1,092,727	1,125,509	1,159,274
12	Indirect Cost Assumptions Per Month						
	Administrative Expenses	7,000,000	7210000	7426300	7649089	7878562	8114919
	Marketing and Promotion	450,000	463500	477405	491727	506479	521673
	Training and Development	300,000	309000	318270	327818	337653	347782
	IT Infrastructure	50,000	51500	53045	54636	56275	57964
	Contingency Fund	1,000,000	1030000	1060900	1092727	1125509	1159274

PROJECTED INCOME STATEMENT

TZS 1000

YEAR	Year 1	Year 2	Year 3	Year 4	Year 5
SALES REVENUES					
Revenue	6,006,960	9,624,485	13,276,633	13,674,932	14,085,180
Less: Cost of Goods sold					
Direct Labour	600,696	113,098	126,896	142,377	145,224
Fuel per Trip	2,402,784	3,849,794	5,310,653	5,469,973	5,634,072
Fees and other Charges	1,201,392	1,924,897	2,655,327	2,734,986	2,817,036
Subtotal	4,204,872	5,887,788	8,092,875	8,347,336	8,596,332
Gross profit	1,802,088	3,736,696	5,183,758	5,327,596	5,488,848
Less: Selling costs and operating overheads					
Administrative Expenses	86,520	89,116	91,789	94,543	97,379
Marketing and Promotion	5,562	5,729	5,901	6,078	6,260
Training and Development	3,708	3,819	3,934	4,052	4,173
IT Infrastructure	618	637	656	675	696
Contingency Fund	12,360	12,731	13,113	13,506	13,911
Subtotal	108,768	112,031	115,392	118,854	122,419
EBITDA	1,693,320	3,624,665	5,068,366	5,208,742	5,366,428
Less: Depreciation	261,114	566,605	840,672	1,069,789	936,065
EBIT	1,432,206	3,058,061	4,227,694	4,138,954	4,430,363
Less: Loan interest	46,649	40,818	35,716	31,251	27,345
EARNINGS BEFORE TAX (EBT)	1,385,557	3,017,243	4,191,979	4,107,703	4,403,019
Less: Corporation tax	415,667.18	905,172.86	1,257,593.56	1,232,310.78	1,320,905.58
EARNINGS AFTER TAX (EAT)	969,890	2,112,070	2,934,385	2,875,392	3,082,113
Profit / Loss brought fwd	90,307	1,060,198	3,172,268	6,106,653	8,982,044
PROFIT / (LOSS) C/FWD	1,060,198	3,172,268	6,106,653	8,982,044	12,064,157

2.1.2. Projected Statement of Financial Position

The projected statement of financial position for KIKARE Consolidated Company Limited provides insights into the company's expected assets, liabilities, and total capital employed over the next five years.

The net fixed assets, which represent the value of property, plant, and equipment, are projected to fluctuate over the forecast period. Starting at TZS 4,532,837,000 in Year 1, the net fixed assets

are expected to peak at TZS 8,558,309,000 in Year 3 before decreasing to TZS 6,552,455,000 by Year 5.

In terms of current assets, the company's cash holdings are forecasted to increase significantly from TZS 107,126,000 in Year 1 to TZS 9,091,467,000 by Year 5. This substantial growth in cash reflects the company's positive cash flow and improved liquidity position over time.

The total capital employed, representing the sum of net fixed assets and current assets, is expected to rise steadily over the forecast period. Starting at TZS 4,639,962,000 in Year 1, total capital employed is projected to reach TZS 15,643,922,000 by Year 5, indicating the company's expansion and investment activities.

Most of the capital employed is financed by shareholders' funds, including equity, directors' contributions, and revenue reserves. Equity remains constant at TZS 2,000,000,000 throughout the forecast period, while directors' contributions and revenue reserves contribute to the remaining shareholders' funds. No long-term loans are projected in the financial position statement. Additionally, there are no current liabilities, such as corporation tax or creditors, during the forecast period. As a result of the absence of long-term loans and current liabilities, the total liabilities remain at zero throughout the forecast period.

Overall, the projected statement of financial position reflects KIKARE Transport's sound financial standing and its ability to effectively manage and deploy capital resources to support its operations and growth initiatives.

PROJECTED STATEMENT OF FINANCIAL POSITION

TZS 1000

YEAR	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Net Fixed assets	4,532,837	6,725,373	8,558,309	7,488,520	6,552,455
Current assets					
Stocks	-	-	-	-	-
Debtors	-	-	-	-	-
Cash	107,126	26,659	1,128,109	5,073,289	9,091,467
Sub total	107,126	26,659	1,128,109	5,073,289	9,091,467
Total Capital Employed	4,639,962	6,752,032	9,686,417	12,561,809	15,643,922
Financed by					
Shareholders' Funds					
Equity	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Directors Contribution	1,579,765	1,579,765	1,579,765	1,579,765	1,579,765
Revenue reserves	1,060,198	3,172,268	6,106,653	8,982,044	12,064,157
Sub total	4,639,962	6,752,032	9,686,417	12,561,809	15,643,922
Long term loan	-	-	-	-	-
Less: Current liabilities					
Corporation tax	-	-	-	-	-
Creditors	-	-	-	-	-
Subtotal	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Total Employment of capital	4,639,962	6,752,032	9,686,417	12,561,809	15,643,922

2.1.3. Projected Cash Flows

The projected cash flows for KIKARE Consolidated Company Limited outline the expected movement of funds over the next five years.

Cash inflows primarily consist of revenue from operations and contribution from directors. Revenue from operations is projected to increase steadily over the forecast period, reaching TZS 14,085,180,000 by Year 5. Additionally, a contribution of TZS 1,579,765,000 from directors is anticipated in Year 1, augmenting the total cash inflow.

Conversely, cash outflows encompass various direct costs, operating costs, loan repayments, and capital expenditures (Capex). Direct costs include expenses related to direct labor, fuel per trip, and fees and other charges, totaling TZS 4,204,872,000 in Year 1 and increasing incrementally over subsequent years. Operating costs cover administrative expenses, marketing and promotion, training and development, IT infrastructure, and a contingency fund, amounting to TZS 571,084,000 in Year 1 and fluctuating slightly in subsequent years.

Loan repayments, comprising interest costs and taxes, represent significant outflows. Interest costs decreased over the forecast period, reflecting the repayment schedule, while taxes remain relatively stable. Additionally, capital expenditures are incurred primarily in the initial years, totaling TZS 2,705,040,000 in Year 1 and tapering off in subsequent years.

Overall, the total cash outflows are expected to be slightly lower than the total cash inflows in each year, resulting in positive net cash flows. Consequently, the opening cash flow is expected to increase steadily over the forecast period, from TZS 1,396,680,000 in Year 1 to TZS 5,073,289,000 in Year 4. By Year 5, the closing cash flow is projected to reach TZS 9,091,467,000, indicating the company's ability to generate positive cash flows and maintain adequate liquidity.

PROJECTED CASH FLOWS

YEAR	TZS 1000				
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash in Flows					
Revenue	6,006,960	9,624,485	13,276,633	13,674,932	14,085,180
Directors Contribution	1,579,765				
Total Inflows	7,586,725	9,624,485	13,276,633	13,674,932	14,085,180
Direct Costs					
Direct Labour	600,696	113,098	126,896	142,377	145,224
Fuel per Trip	2,402,784	3,849,794	5,310,653	5,469,973	5,634,072
Fees and other Charges	1,201,392	1,924,897	2,655,327	2,734,986	2,817,036
Subtotal	4,204,872	5,887,788	8,092,875	8,347,336	8,596,332
Operating Costs					
Less: Selling costs and operating overheads					
Administrative Expenses	86,520	89,116	91,789	94,543	97,379
Marketing and Promotion	5,562	5,729	5,901	6,078	6,260
Training and Development	3,708	3,819	3,934	4,052	4,173
IT Infrastructure	618	637	656	675	696
Contingency Fund	12,360	12,731	13,113	13,506	13,911
Loan Repayment					
Interest Cost	46,649	40,818	35,716	31,251	27,345
Tax	415,667	905,173	1,257,594	1,232,311	1,320,906
Subtotal	571,084	1,058,022	1,408,701	1,382,416	1,470,670
Capex	2,705,040	2,759,141	2,673,607	-	-
Total Cash Inflows	7,586,725	9,624,485	13,276,633	13,674,932	14,085,180
Total Cash Outflows	7,480,996	9,704,951	12,175,184	9,729,752	10,067,002
Net Cash Flow	105,729	(80,466)	1,101,449	3,945,180	4,018,178
Opening Cash Fow	1,396.68	107,126	26,659	1,128,109	5,073,289
Closing Cash Flow	107,126	26,659	1,128,109	5,073,289	9,091,467

MOVEMENT OF NON-CURRENT ASSETS

							TZS 1000
Gross fixed assets	Base lne	Year 1	Year 2	Year 3	Year 4	Year 5	
Tools and Equipment	73,191	73,191	73,191	73,191	73,191	73,191	
Furniture and fittings	20,000	20,000	20,000	20,000	20,000	20,000	
Motor vehicles	2,619,680	5,324,720	8,083,861	10,757,468	10,757,468	10,757,468	
Total	2,712,871	5,417,911	8,177,052	10,850,659	10,850,659	10,850,659	
Annual depreciation	Rate:						
	%/p.a.						
Tools and Equipment	12.50%	7,044.65	6,164.07	5,393.56	4,719.36	4,129.44	
Furniture and fittings	12.50%	1,925.00	1,684.38	1,473.83	1,289.60	1,128.40	
Motor vehicles	12.50%	252,144	558,756	833,804	1,063,780	930,807	
Total		261,114	566,605	840,672	1,069,789	936,065	
Accumulated depreciation							
Tools and Equipment		16,834	23,879	30,043	35,436	44,285	
Furniture and fittings		4,600	6,525	8,209	9,683	12,101	
Motor vehicles		602,526	854,671	1,413,427	2,247,231	3,311,011	
Total		623,960	885,074	1,451,679	2,292,350	3,362,139	
Net fixed assets							
Tools and Equipment		56,357	49,313	43,148	37,755	33,036	
Furniture and fittings		15,400	13,475	11,791	10,317	9,027	
Motor vehicles		2,017,154	4,470,049	6,670,434	8,510,237	7,446,458	
Total		2,088,911	4,532,837	6,725,373	8,558,309	7,488,520	

3.1. Job Creation Estimates

With the anticipated expansion of KIKARE Consolidated Company Limited fleet to a size of 75 trucks, significant job opportunities will be created across various roles within the organization. The projected fleet expansion will not only enhance KIKARE 's operational capacity but also contribute to employment generation and skill development within the local community. Based on the expected fleet size of 75 trucks, the following job creation estimates have been formulated:

Drivers: The operation of each truck requires a skilled driver to ensure safe and efficient transportation of goods. With a fleet size of 75 trucks, KIKARE will employ 75 drivers to manage the day-to-day operations of the vehicles.

Assistant (Utingo): In addition to drivers, KIKARE will appoint one assistant, commonly referred to as "Utingo" in the local context, to support the drivers and assist with various tasks associated with truck operations.

Technicians: To maintain the fleet in optimal condition and address any mechanical issues promptly, KIKARE will hire five technicians. These technicians will be responsible for conducting routine maintenance, repairs, and inspections of the trucks to ensure their continued reliability and performance.

Administrative Officers: To support the administrative functions of the company and ensure smooth operations, KIKARE will employ 10 administrative officers. These officers will be responsible for tasks such as fleet management, logistics coordination, customer service, accounting, and compliance.

Overall, the projected expansion of KIKARE 's fleet to 75 trucks is expected to create a total of 165 job opportunities, spanning across various roles critical to the company's operations. By providing employment opportunities and investing in workforce development, KIKARE aims to contribute to job creation, economic growth, and social development in Tanzania. Additionally, KIKARE is committed to fostering a supportive and inclusive work environment that promotes employee welfare, professional growth, and career advancement opportunities for its workforce.

4.1. Mission Statement

At KIKARE Consolidated Company Limited, our mission is to provide superior transportation services that exceed customer expectations, contribute to the socio-economic development of Tanzania, and create lasting value for our stakeholders. We are dedicated to delivering reliable, efficient, and safe logistics solutions, guided by our commitment to professionalism, integrity, and innovation. Through our unwavering focus on customer satisfaction, employee empowerment, and community engagement, we aim to be a trusted partner in driving progress and prosperity across the East African region.

5.1 Vision Statement

Our vision at KIKARE Consolidated Company Limited is to be the preferred choice for transportation and logistics services in East Africa, renowned for our excellence, integrity, and dedication to service. We aspire to set the industry standard for reliability, efficiency, and sustainability, earning the trust and loyalty of our customers, employees, and partners. By leveraging advanced technologies, fostering a culture of continuous improvement, and embracing our corporate social responsibility, we strive to create a brighter future for our communities and the generations to come.

6.1. Registration Information

KIKARE Consolidated Company Limited officially commenced its operations following its registration on November 2nd, 2022. This pivotal date marked the beginning of our journey towards becoming a leading force in Tanzania's transportation industry.

Upon registration, KIKARE established an authorized share capital of Tshs. 25,000,000.00 (Tanzania Shillings Twenty-Five Million), divided into 100 (One Hundred) shares valued at Tshs. 250,000.00 (Tanzania Shillings Two Hundred Fifty Thousand) each. This structure laid the foundation for our corporate governance and financial management systems.

The company's ownership is held by Arnold Moshi and Neema Arnold, who serve as dedicated stewards of KIKARE's vision and mission. Arnold Moshi holds 60 shares, reflecting a significant investment in the company's future, while Neema Arnold holds 20 shares, demonstrating a shared commitment to our collective success.

In compliance with Tanzanian regulatory requirements, KIKARE Consolidated Company Limited was issued a registration number that also serves as its Taxpayer Identification Number (TIN): 158705079. This unique identifier is integral to our legal and tax compliance obligations, ensuring transparency and accountability in our business operations.

7.1. Keys to Success

Key Factors for Success for KIKARE CONSOLIDATED COMPANY LIMITED:

- **Exceptional Service Quality:** Maintaining a relentless focus on delivering high-quality transportation and logistics services, exceeding customer expectations, and consistently meeting their evolving needs.
- **Reliability and Timeliness:** Building a reputation for reliability by ensuring timely delivery of goods, adhering to schedules, and minimizing disruptions in the supply chain.
- **Strategic Partnerships:** Cultivating strong partnerships with clients, suppliers, government agencies, and other stakeholders to enhance efficiency, expand reach, and unlock synergies.
- **Technology Integration:** Harnessing advanced technology and innovative solutions to optimize operations, improve tracking and visibility, and enhance overall service efficiency.

- **Talent Development:** Investing in recruiting, training, and retaining skilled professionals who are passionate about the industry, committed to excellence, and capable of driving continuous improvement.
- **Safety and Compliance:** Prioritizing safety measures, adhering to industry regulations, and maintaining compliance standards to ensure the well-being of employees, clients, and the community.
- **Adaptability and Flexibility:** Remaining agile and adaptable to changing market dynamics, customer demands, and technological advancements, while proactively identifying and capitalizing on emerging opportunities.
- **Financial Prudence:** Implementing sound financial management practices, maintaining a healthy balance sheet, and optimizing resource allocation to sustain profitability and support long-term growth initiatives.
- **Customer Relationship Management:** Building strong, long-lasting relationships with clients based on trust, transparency, and open communication, and actively seeking feedback to continuously improve service delivery.
- **Commitment to Sustainability:** Integrating sustainable practices into business operations, promoting environmental responsibility, and contributing positively to the communities and environments in which we operate.

8.1. Location:

Situated in the bustling port city of Dar es Salaam, Tanzania, KIKARE Consolidated Company Limited holds a strategic position at the heart of the Central Corridor, a crucial artery for trade and commerce in East Africa. This location offers unparalleled access to maritime trade routes and efficient transportation channels, positioning KIKARE as a pivotal player in facilitating the seamless movement of goods to and from international markets.

As the largest and busiest port in Tanzania, the Port of Dar es Salaam serves as a vital gateway for transporting goods to neighboring countries within the East African region, including Rwanda, Burundi, Uganda, and the Democratic Republic of Congo (DRC). KIKARE's proximity to this major port provides a strategic advantage, enabling the company to efficiently connect with maritime transportation networks and serve as a key link in the regional supply chain.

Moreover, Dar es Salaam's strategic location along the Central Corridor places KIKARE at the crossroads of key trade routes, facilitating the transportation of goods to landlocked countries in

the region. This corridor acts as a lifeline for trade, offering efficient transit options for various types of cargo, including agricultural produce, manufactured goods, and raw materials such as copper from the Democratic Republic of Congo.

By capitalizing on the region's vibrant trade ecosystem and infrastructure developments, including road networks and rail connections, KIKARE is well-positioned to meet the diverse transportation needs of its clients. Whether it involves exporting goods to international markets or importing raw materials for local industries, KIKARE leverages its strategic location and logistical expertise to deliver reliable and efficient transportation solutions.

In summary, KIKARE Consolidated Company Limited's investment objective is deeply rooted in its strategic location in Dar es Salaam, Tanzania, near the main harbor of the Central Corridor. By leveraging this strategic advantage, KIKARE aims to play a vital role in facilitating regional trade, supporting economic growth, and contributing to the development of East Africa's transportation infrastructure.

9.1. Suppliers

KIKARE Consolidated Company Limited maintains strategic partnerships with a network of trusted suppliers to ensure the reliable operation of its transportation services. These suppliers play a crucial role in providing essential inputs and resources necessary for KIKARE 's day-to-day operations.

Firstly, KIKARE procures trucks from reputable manufacturers renowned for their quality, reliability, and performance. Establishing relationships with trusted truck manufacturers ensures that KIKARE 's fleet is equipped with vehicles that meet stringent safety standards and operational requirements.

In addition, KIKARE collaborates with suppliers of genuine spare parts and components to maintain the operational efficiency of its fleet. These suppliers provide a range of spare parts, including engine components, tires, brakes, and electrical systems, ensuring prompt maintenance and repair services to minimize downtime.

Furthermore, KIKARE partners with reliable fuel suppliers to ensure a steady and cost-effective supply of diesel, considering fuel as a significant operational expense. By negotiating favorable pricing and terms, KIKARE optimizes its fuel procurement process to mitigate the impact of fluctuating fuel prices on operational costs.

Moreover, KIKARE engages with maintenance service providers specializing in truck servicing, repair, and inspection. These service providers offer comprehensive maintenance solutions,

including scheduled servicing, breakdown assistance, and technical support, to keep KIKARE's fleet in optimal condition and minimize disruptions to operations.

Lastly, KIKARE relies on administrative suppliers for various office supplies, equipment, and services essential for its administrative operations. These suppliers provide items such as stationery, computers, software, and telecommunications services, supporting KIKARE's administrative functions and ensuring smooth business operations.

By cultivating strong relationships with its suppliers, KIKARE enhances operational efficiency, reduces costs, and maintains high service standards. Through effective supplier management practices and ongoing collaboration, KIKARE aims to sustain its competitive edge and deliver superior transportation solutions to its clients.

10. MARKET ANALYSIS SUMMARY

10.1. Overview of Tanzanian Transportation Sector

The transportation sector in Tanzania is a vital component of the country's economic infrastructure, with diverse modes of transportation contributing significantly to its development. The sector experienced a growth rate of 3.5% in 2021, showcasing its resilience and importance amidst various economic challenges. Accounting for 7.1% of the country's GDP in the same year, transport and storage services play a pivotal role in facilitating trade, commerce, and mobility across the nation.

One of the cornerstones of Tanzania's transportation infrastructure is its extensive road network, covering a total of 180,791 kilometers in 2021. This network encompasses both national roads, spanning 36,362 kilometers, and district roads accounting for 144,429.77 kilometers. Evaluating the condition of these roads is crucial, considering factors such as quality, maintenance, and capacity to ensure efficient transportation of goods and passengers. Overseeing road development and maintenance are two key agencies: The Tanzania National Roads Agency (TANROADS) and the Tanzania Rural and Urban Roads Agency (TARURA). TANROADS, operating under the Ministry of Works and Transport, manages Trunk and Regional Roads, while TARURA, under the Ministry of Presidents' Office, Regional Administration and Local Governments, handles District Roads.

Within the road transport sector, bus transportation serves as a primary mode for both cargo and passenger movement. Analyzing common bus routes, fare structures, and passenger demand provides insights into the dynamics of this segment, including competition among bus operators.

Additionally, assessing the number and types of motor vehicles licensed for road transport offers valuable insights into demand trends and growth patterns within industry.

The introduction of initiatives such as the Dar Rapid Transit (DART) system in Dar es Salaam reflects efforts to improve transportation efficiency and passenger satisfaction. Evaluating the impact of DART on urban mobility and its potential for expansion underscores the importance of innovative solutions in addressing transportation challenges.

Railway infrastructure also plays a significant role in Tanzania's transport sector, connecting major cities and ports. Understanding the efficiency and reliability of rail transport for both passengers and cargo is essential for optimizing freight logistics and enhancing connectivity across the country. Analyzing passenger and freight traffic volumes provides valuable data for planning and optimizing railway services.

Despite the sector's growth and contributions to the economy, challenges persist, including infrastructure gaps, customs procedures, and road safety concerns. Addressing these challenges presents opportunities for investment in logistics companies, warehousing, and last-mile delivery services. Leveraging Tanzania's strategic location for regional integration within the East African Community further enhances the sector's potential for growth and development.

In 2021, the transport sector contributed 8.1% to Tanzania's real GDP, amounting to USD 3.8 billion. With concerted efforts to address challenges and capitalize on opportunities, the sector continues to play a crucial role in driving economic growth and fostering sustainable development in Tanzania.

10.2. Marketability of Transportation Industry in Tanzania

Incorporating data on vehicle licensing trends provides valuable insights into the size and dynamics of the transportation market in Tanzania. This analysis serves as a foundational element for KIKARE Consolidated Company Limited to assess the demand for road transport services and identify potential growth opportunities within specific vehicle categories.

By analyzing historical data on the number of vehicles licensed for road transport, KIKARE gains a comprehensive understanding of the size of the transportation market in Tanzania. Over the years, the total number of licensed vehicles has served as a key metric for evaluating the scope and scale of opportunities within the industry. For example, the number of licensed vehicles

ranged from 2,328,994 in 2017 to 3,228,612 in 2021, indicating a steady growth trajectory in the market.

Trends in vehicle licensing, such as fluctuations in the number of licensed vehicles across different categories over time, reveal insights into the dynamics of the transportation market. Notably, from 2017 to 2021, there was a consistent growth trend in various vehicle categories, indicating a dynamic and expanding market. For KIKARE, understanding these market dynamics is crucial for strategic planning and resource allocation.

Analysis of vehicle licensing data allows KIKARE to discern patterns in demand for road transport services. Fluctuations in the number of licensed vehicles within passenger services or goods services categories may indicate seasonal variations in travel demand or changes in economic activity. This insight enables KIKARE to adapt its service offerings to meet the evolving needs of customers effectively.

Categorizing licensed vehicles into different segments—such as passenger services, goods services, or vehicle types—facilitates segmentation analysis to identify target market segments with distinct transportation needs. This segmentation informs KIKARE 's strategy to tailor its service offerings, accordingly, ensuring maximum relevance and appeal to its target audience.

By analyzing trends in vehicle licensing, KIKARE identifies growth opportunities within specific vehicle categories or market segments. For instance, notable increases in the number of goods vehicles licensed may signify growing demand for freight transportation, prompting KIKARE to expand its logistics services and capitalize on this opportunity.

Leveraging historical data on vehicle licensing trends, KIKARE forecasts future demand for road transport services with greater accuracy. This forecasting capability enables KIKARE to proactively plan fleet expansion, resource allocation, and service offerings to meet anticipated market demand effectively, ensuring sustainable growth and competitiveness in the transportation industry.

10.3. Marketing Strategies for KIKARE Consolidated Company Limited:

Pricing Strategy:

KIKARE Consolidated can adopt a competitive pricing strategy that balances affordability with profitability. Conducting a thorough analysis of market rates, competitor pricing, and customer willingness to pay allows the company to set prices that are attractive to customers while ensuring sustainable margins. Additionally, implementing dynamic pricing models that take into account factors such as distance, cargo type, and seasonality enables KIKARE Consolidated Company to optimize revenue and maximize utilization of its fleet.

10.4 Distribution Channels:

Developing an efficient distribution network is essential for KIKARE Consolidated Company to reach customers across different geographical areas. The company can leverage a multi-channel distribution approach, including direct sales, partnerships with freight brokers, and online booking platforms. By diversifying its distribution channels, KIKARE Consolidated Company can enhance its market reach, improve accessibility for customers, and capitalize on emerging opportunities in various market segments.

10.5 Promotional Strategies:

Implementing targeted promotional strategies helps KIKARE Consolidated Company raise awareness about its services and attract potential customers. This can include offering promotional discounts or incentives for first-time customers, referral programs, and seasonal promotions. Additionally, participating in industry events, trade shows, and conferences provides opportunities to showcase the company's capabilities, network with potential clients, and strengthen its brand presence in the market.

Service Differentiation:

KIKARE Consolidated Company can differentiate its services by focusing on value-added offerings that go beyond basic transportation. This may include providing real-time tracking and monitoring capabilities, offering customized logistics solutions tailored to specific customer requirements, and prioritizing reliability and on-time delivery. By highlighting these value-added services,

KIKARE Consolidated Company can position itself as a premium provider in the market and command higher prices while delivering superior value to customers.

10.6 Customer Service Excellence:

Delivering exceptional customer service is paramount for KIKARE Consolidated Company to build long-term relationships and foster customer loyalty. Investing in customer service training for staff, implementing responsive communication channels, and promptly addressing customer inquiries and concerns are key aspects of delivering positive customer experience. By consistently exceeding customer expectations and demonstrating a commitment to service excellence, KIKARE Consolidated Company can strengthen its reputation, generate positive word-of-mouth referrals, and secure repeat business from satisfied customers.

11. Competition Analysis

In the competitive landscape of the transportation industry in Tanzania, KIKARE Consolidated Company Limited faces a range of formidable competitors. Transcargo Limited, headquartered in Dar-Es-Salaam, stands out as one of the region's premier transporting companies, offering a comprehensive array of services spanning general cargo, containerized cargo, and fuel transportation. Renowned for their seamless operations and logistics expertise across East and Central Africa, Transcargo earns accolades from clients for their professionalism, timely reporting, and unwavering commitment to excellence. Similarly, BK Logistics Ltd, based in Tanzania, distinguishes itself with its quality-driven approach and reliability in freight transportation, cargo consolidation, and clearing services. AFTA, a global logistics giant, operates extensively in Tanzania and East Africa, boasting an extensive network for efficient cargo movement via air, sea, road, and rail. Meanwhile, FMS Transport, a proudly Tanzanian-owned entity, has swiftly emerged as a key player in East and Central Africa, revered for its commitment to excellence. Jones Logistics Limited, Labedan Insurance Brokers, Sino Logistics Co Ltd, Primefuels Tanzania, TNT Express Tanzania, and Geamos Company (LTD) further enrich the competitive landscape with their diverse offerings and specialized services, posing both challenges and opportunities for KIKARE in the dynamic Tanzanian market.

In the pursuit of a competitive edge within the transportation industry, KIKARE Consolidated Company Limited recognizes the paramount importance of analyzing trends in vehicle licensing. This comprehensive examination of licensing data stands as a cornerstone in

understanding the intricate dynamics of our industry, shedding light on pivotal market shifts, competitor maneuvers, and benchmarks that drive performance.

With access to detailed data on vehicle licensing, KIKARE gains invaluable visibility in the landscape of our competitors within the transportation sector. Figures such as the licensing of 45,111 passenger services vehicles and 126,437 goods services vehicles in 2021 alone vividly illustrate the intensity of competition. Through meticulous assessment of our competitors' licensing trends over time, KIKARE will discern their market share and relative positioning within the industry, empowering strategic decision-making.

Furthermore, benchmarking KIKARE's performance against industry standards derived from vehicle licensing trends emerges as a fundamental practice. By juxtaposing our total licensed vehicles with industry averages or leading competitors' figures, KIKARE will conduct a comprehensive evaluation of market penetration, growth trajectory, and overall competitiveness. This benchmarking exercise will not only inform goal-setting but also facilitate proactive adjustments to enhance our competitive stance over time.

Armed with insights gleaned from the analysis of vehicle licensing trends, KIKARE is poised to identify untapped opportunities for differentiation and innovation. Scrutinizing our competitors' licensed vehicles and the segments they serve will enable KIKARE to craft tailored strategies aimed at standing out in the market. Whether through targeting underserved segments, introducing innovative service features, or optimizing operational efficiency, KIKARE will leverage these insights to carve a distinct market position and secure a competitive advantage.

12. KIKARE CONSOLIDATED COMPANY LIMITED MANAGEMENT

KIKARE Consolidated Company Limited prides itself on its team of seasoned professionals who bring a wealth of expertise and experience to the cargo transportation sector. Led by visionary leadership, the company boasts a proficient team with a deep understanding of the market dynamics and intricacies of logistics and transportation. Leveraging their extensive knowledge, the team at KIKARE Consolidated strategically handles cross-border road freight trucking services, ensuring reliable and timely delivery of goods across the Eastern and Southern African region.

With a keen eye for detail and a commitment to excellence, KIKARE Consolidated Company Limited meticulously manages the transportation of various cargo types, including

Consolidated cargo, full containerized cargo, and out-of-gauge (OOG) cargo. Through strategic partnerships and effective supply chain management, the company navigates complex logistical challenges to meet the increasing demands of its clientele. By drawing on their nuanced understanding of the market and employing efficient transportation practices, KIKARE Consolidated Company Limited consistently delivers superior services that exceed customer expectations, solidifying its position as a trusted leader in the cargo transportation industry.

12.2. Management Profile:

With over 17 years of profound experience in the transportation and logistics sector, Mr. Arnold Moshi brings a wealth of knowledge and expertise to his role as the Managing Director of KIKARE Consolidated Company Limited. Throughout his career, Mr. Moshi has exhibited robust leadership skills and an intricate understanding of industry intricacies, enabling him to adeptly navigate challenges and capitalize on opportunities.

As the Managing Director, Mr. Moshi shoulders the responsibility of overseeing all facets of the company's operations, including strategic planning, business development, and financial management. His proactive leadership approach and sharp business acumen have played a pivotal role in driving KIKARE 's growth and success within the fiercely competitive market landscape.

Working in tandem with Mr. A. Moshi is Ms. N. Arnold, who serves as the Co-Director of KIKARE Consolidated Company Limited. Together, they form a dynamic leadership duo, leveraging their complementary skills and expertise to steer the company towards its strategic objectives. Ms. N. Arnold brings his own wealth of experience and insights to the table, further enriching the company's management capabilities.

Backed by a team of well-trained and experienced personnel, Mr. A. Moshi and Ms. N. Arnold ensure the efficient and effective operation of the company. Their hands-on management approach fosters a culture of excellence and accountability within the organization, empowering employees to deliver top-notch services and surpass customer expectations consistently.

In addition to their extensive industry tenure, Mr. A. Moshi and Ms. N. Arnold possess a diverse skill set encompassing strategic planning, financial management, operational efficiency, and customer relationship management. Their combined expertise and leadership prowess position KIKARE Consolidated Company Limited for sustained growth and prosperity in the dynamic and ever-evolving transportation and logistics arena.

12.3. Organization Structure:

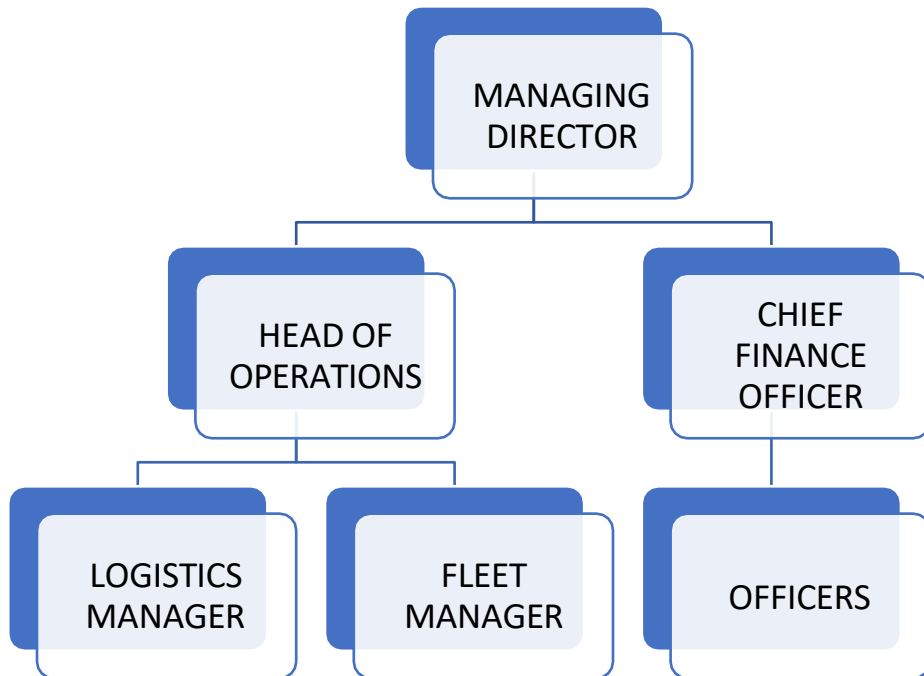
The organizational structure of KIKARE Consolidated Company Limited is designed to ensure streamlined operations and effective management of key functional areas. At the top of the hierarchy is the Managing Director (MD), who serves as the overall leader responsible for setting strategic objectives and overseeing the company's performance.

Reporting directly to the Managing Director are two key departments: Finance and Operations. The Finance department, headed by the Chief Finance Officer (CFO), is responsible for all financial matters, including accounting, budgeting, financial planning, and administration. Additionally, the Finance department oversees payroll processing, ensuring that employee compensation is handled accurately and efficiently.

In the Operations department, there are two distinct managerial roles: the Fleet Manager and the Logistics Manager. The Fleet Manager is tasked with ensuring the optimal functioning of the company's fleet of trucks. This includes overseeing maintenance schedules, monitoring vehicle condition, and coordinating repairs to ensure that all trucks are in good working order. Furthermore, the Fleet Manager must maintain a comprehensive understanding of the whereabouts of each truck at any given time, as well as their operational status.

On the other hand, the Logistics Manager is responsible for a broad range of activities related to the efficient movement of goods and materials. This includes marketing strategies to attract clients, procurement of necessary resources, and overall management of the logistics process. The Logistics Manager plays a critical role in coordinating with clients, suppliers, and other stakeholders to ensure smooth and timely delivery of services.

This simplified organizational structure ensures clear lines of authority and accountability within KIKARE Consolidated Company Limited. By delineating responsibilities across functional areas, the company can effectively manage its operations while promoting efficiency, coordination, and collaboration among team members. Each department and managerial role contribute to the company's overall success by focusing on specific aspects of the business, ultimately working together to achieve common objectives and deliver value to clients.



12.4. KIKARE Consolidated Successful Plan

KIKARE Consolidated Company Limited's success plan revolves around the strategic leadership provided by its Managing Director, Mr. Arnold Moshi, and Ms. N. Arnold. With their combined experience and expertise, they offer visionary guidance and strategic direction, fostering innovation and adaptability within the company. Under their leadership, KIKARE Consolidated navigates challenges and capitalizes on opportunities in the transportation and logistics industry.

The company's dedicated team of well-trained and experienced staff forms the backbone of its operations. From financial management to operational tasks, every team member plays a crucial role in delivering high-quality services and exceeding customer expectations. Through ongoing training and professional development initiatives, KIKARE Consolidated ensures that its employees are equipped with the necessary skills and knowledge to excel in their roles.

Strategic planning and execution are central to KIKARE Transport's approach to success. The management team sets clear goals, objectives, and performance metrics, aligning business strategies with market trends and customer needs. By doing so, the company can seize growth opportunities and optimize its operations for efficiency and profitability.

Sound financial management is another cornerstone of KIKARE Transport's success plan. Led by Mr. Arnold Moshi and Ms. Neema Arnold, the financial management team implements the best practices in accounting, budgeting, and financial planning to support the company's long-term financial health and stability.

Moreover, KIKARE Consolidated embraces a culture of continuous improvement, constantly seeking ways to enhance its services, processes, and systems. Through regular performance evaluations, feedback mechanisms, and innovation initiatives, the company remains agile and responsive to changing market dynamics, emerging technologies, and evolving customer needs.

By adhering to this success plan, KIKARE Consolidated Company Limited is well- positioned to achieve its strategic objectives, drive growth, and maintain its reputation as a leading provider of transportation and logistics services in Tanzania and beyond.

13. EXTERNAL ENVIRONMENT ANALYSIS

13.1. Overview of Tanzania Economy:

GDP Growth: Tanzania's economy demonstrated resilience despite global challenges. In 2022, the GDP growth rate reached 4.6%, and it is projected to rise to 5.1% in 2023. Structural reforms have strengthened competitiveness, improved the business climate, and reduced regulatory burdens. However, growth remains concentrated in sectors with fewer low-income workers, impacting poverty reduction.

Inflation and Fiscal Management: Headline inflation has declined due to easing global commodity prices and stable exchange rates. The government effectively manages debt levels, but fiscal deficits widened. To ensure medium-term debt sustainability, Tanzania must enhance revenue mobilization and prudent public investment management.

13.2. Business Environment:

Tanzania offers a favorable business environment, attracting foreign companies. Abundant natural resources, reliable infrastructure, and a skilled labor pool make it an attractive investment destination. Its strategic location further contributes to its appeal.

Foreign Investment: Political stability has been a major factor in attracting international companies. Investors appreciate the country's peaceful environment and conducive business climate.

13.3. Political Stability:

Historical Context: Since gaining independence in 1961, Tanzania has maintained remarkable political stability. It has never experienced a civil war or major internal strife. Tanzanians share a common national identity without ethnic divisions.

Peaceful Transfer of Power: Tanzania's political landscape witnessed a significant event in 2015 when President John Magufuli was elected. His tenure emphasized anti-corruption measures, infrastructure development, and economic reforms. However, his sudden passing in 2021 raised concerns about the peaceful transfer of power.

13.4. Challenges and Prospects:

Succession: The transition from Magufuli's presidency to his successor, President Samia Suluhu Hassan, was peaceful. President Hassan's commitment to continuity and inclusivity is crucial for maintaining stability.

Democratic Institutions: Strengthening democratic institutions, ensuring transparent elections, and respecting human rights are essential. Tanzania's political stability hinges on these factors.

Civil Society and Media: A vibrant civil society and independent media play pivotal roles in holding leaders accountable and promoting stability.

Regional Context: Tanzania's stability is interconnected with regional dynamics, especially in East Africa. Cooperation with neighboring countries is vital for peace and security.

In summary, Tanzania's economy shows promise, its business environment attracts investors, and its political stability remains a cornerstone. The peaceful transfer of power is critical for sustained progress and prosperity.

14. Conclusion:

KIKARE Consolidated Company Limited's business plan presents a compelling case for investment incentives from the Tanzania Investment Center (TIC) to support the importation of 59 trucks over the next five years. This strategic initiative is poised to make a significant contribution to Tanzania's economy, driving growth, fostering employment, and enhancing the country's competitiveness in the transportation and logistics sector.

Investment in KIKARE Consolidated holds great promise for Tanzania's economic development. By facilitating the efficient movement of goods and materials, the project will bolster trade activities, attract investments, and stimulate economic growth across various industries. Additionally, the establishment of KIKARE Consolidated will create numerous job opportunities, providing livelihoods for Tanzanians and contributing to poverty reduction and social development.

Furthermore, KIKARE Transport's commitment to operational excellence, innovation, and sustainability aligns with Tanzania's vision for a vibrant and competitive economy. Through strategic investments in infrastructure, technology, and skills development, KIKARE Consolidated aims to drive industry-wide transformation and position Tanzania as a regional hub for transportation and logistics services.

15. Recommendation:

In light of KIKARE Transport's strategic importance to Tanzania's economic growth and development, TIC should consider various investment incentives to support the project's implementation. These incentives could include tax breaks, customs facilitation, investment grants, infrastructure support, and skills development initiatives. By providing targeted support, TIC can help KIKARE Consolidated realize its full potential, maximize its positive impact on the economy, and contribute to Tanzania's long-term prosperity.

TANZANIA INVESTMENT CENTRE

REGISTRATION FORM FOR CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18, and the Investment
Regulations: Regulation 42, Government Notice No.
318A of 2002)**

Tanzania Investment Centre
9A & B Shaban Robert Street
P.O. Box 938

DAR ES SALAAM

Tel. 2116328

Fax. 2118253

Email: information@tic Companytz

Website: www.tic.Companytz

(Please fill the form in duplicate)

THE UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(NO 26 OF 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P.O. Box 938
DAR ES SALAAM
Tanzania.

1. I/We **ELISIFA AWUNIELI NGOWI AND INNOCENT E. NGOWI**
Director of **KIKARE CONSOLIDATED COMPANY LTD**
(name of business enterprise) apply for registration **LAND TRANSPORTATION**
under Section 17 of the Act and Part IV of the Investment Regulations. 2002.
2. The registered office of the company will be situated at **OBAMA ROAD PLOT 17 ILALA REGION DAR ES SALAAM**
Copies of the following document are attached to this application:
 - i. The Memorandum and Articles of Association/or partnership agreement
 - ii. Certificate of Incorporation Registration
 - iii. A copy of the Project Profile or Feasibility Study showing the implementation period, program of implementation and operative date
 - iv. Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at **OBAMA ROAD PLOT 17**
4. The Principal Officers of the Company are **ELISIFA AWUNIEL NGOWI AND INNOCENT ELISIFA NGOWI**
5. Auditors of the Company are **MKUKI CONSULTANTS Certified Public Accountants**
6. The authorized share capital of the Company is **Tshs. TWO HUNDRED FIFTY MILLION ONLY AND AUDITORS P.O. Box 1827 DAR ES SALAAM – TANZANIA.**
7. The intended capital investment of the Company in terms of Section 2(2) of the Act is **US\$ 3,068,000 USD.**

8. The month and day of the financial year end is **31st DECEMBER YEARLY**

Note: failure to provide all the required information will result in the return of the application by the Centre.

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre for US\$ 1,100** USD Being the Registration Fees. **In the event this application is unsuccessful we understand that this fee will not be refunded**

1. **ELISIFA AWUNIEL NGOWI** of Post Office Number **33191 DSM** do solemnly and sincerely declare that I am a director of **KIKARE CONSOLIDATED COMPANY LIMITED**

AND that all the requirements of the Tanzania Investment Act 1997 in respect of matters precedent to the registration of the business enterprise under the ACT and incidental thereto have been complied with, **AND** I make this solemn declaration conscientiously believing the same to be true.

Declared at Dar es Salaam }
The day of 2003 }

.....
Applicant

Before me:

.....
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: **KIKARE CONSOLIDATED COMPANY LIMITED**

COI Number: **Status**

COI Date:

Post Box 33191

Town ILALA

Sector TRANSPORTATION Sub Sector LAND TRANSPORTATION

Investment Financing Plan in Million US\$ 3,068,000 USD

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	1,840,800 USD		1,227,200 USD

Project Objective **STRATEGICALLY EXPAND AND ENHANCE OUR TRANSPORTATION INFRASTRUCTURE BY PROCURING ADDITIONAL 59 TRUCKS OVER THE NEXT FIVE YEARS**

Capacity:

Employment: Foreign **NIL** Local **165** Total **165**

Implementation Period FIVE YEARS

Project Location

Site/Plot/Block No: PLOT 17 OBAMA ROAD ILALA DAR ES SALAAM

Street: **OBAMA** District: **ILALA** Region: **DAR ES SALAAM**
(Attach sketch map showing project location)

Shareholders	NATIONALITY	%
ELISIFA AWUNIELI NGOWI	TANZANIAN	60%
INNOCENT ELISIFA NGOWI	TANZANIAN	20%
OTHER 20% FOR SHARE HOLDERS		

Investment Breakdown

US\$/Tshs.M

Land/Building

5,158 Square meter

Plant

Vehicles

75

Furniture & Fittings

Pre-expenses

571,084,000/=

Others

Working Capital

107,126,000/=

TOTAL

Contact Details:

Name: **ELISIFA A. NGOWI**

Title: **MANAGING DIRECTOR**

Telephone: **+255 713340770**

Fax

Email: **elisifangowi@yahoo.com**

BOARD RESOLUTION TO APPLY FOR TIC CERTIFICATE OF INCENTIVES

In its extraordinary meeting held in KIKARE offices Upanga East Obama Road Plot 17 on the 17th February 2025 at 11:00 am in the Morning. The Board Members unanimously resolved to apply for the TIC certificate of Incentives as one the most major way of rapidly increasing the company's fleet of trucks as well as means of increasing its business diversification in terms of routes while at the same time a quick means to servicing our company loans.

A. MOSHI
MANAGING DIRECTOR

N. ARNOLD
COMPANY SECRETARY

**RESOLUTION TO USE MANAGING DIRECTOR'S LAND PLOT
196 AND 197 DODOMA REGION BAHI DISTRICT KIBAONI AREA**

In its extraordinary meeting held in KIKARE Offices situated at Upanga East Obama Road Plot 17 on the 4th February 2024 at 10.35 am in the Morning KIKARE CONSOLIDATED COMPANY LIMITED Board Members unanimously Agreed and Resolved to use the Managing Directors land located on Plots 196 and 197 Dodoma Region, Bahi District Kibaoni area along Dodoma Singida Main Road as the Company's use for packing and other company Business Enterprises.

**E. A. NGOWI
MANAGING DIRECTOR**

**I. E. NGOWI
COMPANY SECRETARY**



Hud Office
Harambee Plaza
Al, Hassar, Mwinya, J. & M. Junction
P O Box 804 Dar es Salaam, Tanzania
T. 755 22 2160000 / 2197100
Toll free 0800 780 071 / 0800 750 002
www.kcbbankgroup.com

REF: KCBT/R.TL/OYS/CQ NO. 2851737

01st September 2022

**SEMIIT TRANSPORT ENTERPRISES COMPANY LIMITED,
P.O. BOX 33116,
DAR ES SALAAM - TANZANIA.**

Dear Directors,

RE: BANKING FACILITIES

We offer to place at your disposal the Facility details whereof are set out herein on the following terms and conditions:

1. Definitions:

In this Letter, the expressions following shall, except where the context otherwise requires, bear the meanings attributed to them respectively:

- 1.1 "Bank" means **KCB Bank Tanzania Limited**, a Banking company incorporated in the United Republic of Tanzania, whose address is Post Office Box No. 804, Dar es Salaam and includes their successors and assigns;
- 1.2 "Base Rate" means the Bank's Lending Rate as reviewed from time to time (currently at 19% **p.a.** for **Tanzania Shillings** facilities and 9% **p.a.** for USD facilities). In the event that the Bank ceases to have a Base Rate, means the rate of interest that the Bank shall at its sole discretion from time to time charge within the limits permitted by Law;
- 1.3 "Borrower" means **KIKARE CONSOLIDATED ENTERPRISES COMPANY LIMITED** whose address is **Post Office Box 33116, Dar es Salaam** in the United Republic of Tanzania and shall include its successors and assigns as the case may be;

"Business Day" means a day on which Banks are open for business in Tanzania.

- 1.5 "**Commitment Expiry Date**" means **30 days from the date of this letter.**
- 1.6 "Encumbrance" includes any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, security interest, title retention, present or future rights of set-off, Counterclaim, Bankruptcy, or any other encumbrance securing any obligation of any person;
- 1.7 "Event of Default" means any one of the events specified in Paragraph 12 of this letter;
- 1.8 "Facility" means the Facility, details of which are set out in paragraph 2.2. Of this Letter;
- 1.9 "Letter" means this Facility letter;

- 1.10 "Security" means the security referred to in Paragraph 8 of this letter and/or any security created or to be created by the Borrower or at the request of the Borrower by any third party in favour of the Bank in respect of the Facility and any other security that the Bank may reasonably request from time to time;
- 1.11 "Transaction Documents" means all documents, correspondence, memoranda and documents of whatsoever nature and howsoever described or defined, in writing or print and availed by the Borrower or on the Borrower's behalf or by the Bank for purposes of assessing, facilitating or securing the Facility or generally in relation to this transaction and includes this Letter and the Security;

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

2. **Availability and Options available within the Facility:**

2.1 Subjects to:

- 2.1.1 The Conditions Precedent referred to in *paragraph 7* of this letter having been complied with, including, without limitation, all relevant consents (if any) having been received by the Borrower for obtaining the Facility and creating the obligations of the Borrower hereunder before the Commitment Expiry Date;
- 2.1.2 No Event of Default has occurred and no event having occurred which, with the giving of notice and/or the lapse of time and/or upon the Bank making the relevant determination, would constitute an Event of Default.

The Bank shall, (subject to the provisions of this Letter) on any Business Day prior to the Commitment Expiry Date place at the disposal of the Borrower the Facility or part thereof.

2.2 **Facility:**

The Facility may be utilised as:

Approved Facility	Approved Amount in USD	Pricing	Commitment Fee	Expiry/Tenor
Asset Based Finance Loan Facility (New)	277,200.00	USO base lending rate 9% plus 3% i.e. 6% p.a	-	5 Years (with 2 months' grace period within)
TOTAL	277,200.00			

(Hereinafter called "**the facility**")

- 2.2.1 Without prejudice to the provisions of this paragraph, the availability of the Facility is at all times subject to the availability of funds and the compliance by the Bank with any and all restrictions, rules and regulations from time to time in

force of the Bank of Tanzania or any other relevant regulatory authority.

2.2.2 The Bank shall not be liable for any failure to perform its obligations hereunder caused by reason beyond the Bank's control or resulting directly or indirectly from the action or inaction of the Government, any Government Authority or any strike, boycott, blockade, Act of God, revolution or civil disturbance.

3. Purpose of the Facility:

- The Bank has approved a new Asset Based Finance facility of **USO. 277,200.00 (United States Dollars Two Hundred Seventy-Seven Thousand Two Hundred Only)** to facilitate the acquisition of 4 units of tractors and 3 units of trailers.

4. Repayments and Review:

- 4.1 The Facilities are repayable strictly on written demand but subject to the below overriding condition.
- 4.2 The **Facilities** shall be **utilized/serviced** as set out in **paragraph 2.2**. The monthly instalment for the Facility will be stipulated in the repayment schedule to be provided to the Borrower after approval.
- 4.3 If any part of the Facilities are denominated in a foreign currency ("the currency of account"), payment under or the repayment of such Facility will be made in such foreign currency. Any money received by the Bank, or by any person appointed by the Bank, in a currency other than "the currency of account", may be converted by the Bank into the currency of account or such other currency as the Bank considers necessary to cover the obligations or liabilities of the Borrower. The Bank shall use the spot rate of exchange for such conversion.
- 4.4 For the avoidance of doubt, it is understood however that the Bank may on the occurrence of an event of default demand immediate repayment of all the Facilities.
- 4.5 On demand being made by the Bank:
- 4.5.1 The Facility shall be cancelled; and
- 4.5.2 The Borrower shall pay to the Bank all amounts outstanding on the date of payment together with interest thereon and all other costs charges and expenses due and payable to the Bank hereunder or under the Security.

5. Interest Rates:

- 5.1 The Borrower shall pay interest after or before demand or liquidation of the Borrower at an interest rate set out in **paragraph 2.2**.
- 5.2 Interest shall accrue from day to day, will be calculated on the basis of the actual number of days elapsed in a 365-days' calendar year, will be debited to the Borrower's current account with the Bank **[monthly/quarterly]** in arrears and will be compounded in the event of not being punctually paid with monthly rests.
- 5.3 The Bank may from time to time at its sole discretion and within the limits permitted by law revise the applicable rate of interest and will

advise the Borrower in writing of any change in the applicable rate. Failure by the Bank to advise the Borrower shall not prejudice the right of the Bank to recover interest charged subsequent to any such change.

- 5.4 The statement of the Bank as to the rate or amount of interest payable pursuant to this paragraph shall in the absence of manifest error be conclusive.
- 5.5 If any sum payable by the Borrower hereunder is not paid on the date on which it is due in accordance with the provisions of this Agreement or the Security or if any sum due to be payable by the Borrower under any judgment of any Court in connection herewith is not paid on the date of such judgment, then the Borrower shall pay interest on such outstanding sum from such due date, or as the case may be, the date of such judgment until payment is received in full at a rate which is **3% (for USO facilities)** and **10% (for TZS facilities)** above the rate then payable by the Borrower or as may from time to time be decided by the Bank.

6. Commission, Application Fees, Negotiation Fees, and Facility Fees:

Upon acceptance of the offer, the Borrower shall pay to the Bank a non-refundable Facility fees as set out in **paragraph 2.2**.

Other standard commission and bank charges will be charged by the Bank according to its tariff from time to time.

7. Conditions Precedent:

Unless the Bank otherwise agrees, the granting of the Facility is subject to the following conditions precedent:

- 7.1 That the Bank shall have received all of the documents listed in **Annexure I & U** and shall have confirmed that each is in form and substance satisfactory to it;
- 7.2 That the representations and warranties set out in **Clause 9** below are true and correct on and as of each such time as if each was made with respect of the facts and circumstance at such time;
- 7.3 That no **event** or circumstance which constitutes or which with **the giving** of notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing or would result from the granting of the Facility.
- 7.4 That all the conditions of sanction or advance under **Clause 12** shall have been performed or undertaken in form and to the satisfaction of the Bank.

8. Security :

- 8.1 The Borrower has created as appear in **Annexure I & II** in favour of the Bank the securities, particulars of which are set out in the said annexure as required by the Bank to secure the Borrower's obligations hereunder.
- 8.2 The security is a continuing security, notwithstanding any intermediate payments or settlement of accounts, or the winding up, liquidation or

dissolution of the Borrower's status, as the case may be or consolidation control or ownership for the payment of all sums including **interest, fees, commissions, costs, future absolute or contingent** for which the Borrower now is or may at any time hereafter be liable to the Bank.

8.3 In the event that there is a conflict between the provisions of this letter and the security, the provisions contained in the security will prevail.

9. Representations and Warranties:

9.1 The Borrower represents and warrants to the Bank as follows:

9.1.1 The execution on behalf of the Borrower of the form of acceptance endorsed on this Letter has been validly authorized and the obligations expressed as being assumed by the Borrower under this Letter constitute valid, legal and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms;

9.1.2 Every consent, authorization or public bodies or authorities required in connection with the execution delivery, validity or enforceability of this Letter or the performance by the Borrower of its obligations hereunder or required to make this Letter admissible in evidence has been obtained and is in full force and effect,

9.1.3 Neither the execution and delivery of the form of acceptance endorsed hereon by the Borrower nor the performance or observance of any of its obligations under this Letter will conflict with, or result in, any breach of any law, statute, regulation, indenture, mortgage, trust deed, agreement or other instrument arrangement, obligation or duty by which the Borrower is bound or cause any limitation on any of the powers whatsoever of the Borrower howsoever imposed on or on the right or ability of the Borrower to exercise such powers to be exceeded;

9.1.4 The audited accounts of the Borrower in respect of the financial year ended will be prepared in accordance with generally accepted accounting principles and practices in Tanzania consistently applied and present fairly and accurately the financial position of the Borrower as at such date and the results and operations of the Borrower for the financial year ended on such date and as at such date.

9.1.5 There has been no material adverse change in the financial position of the Borrower from that set forth in the Borrower's latest held audited accounts.

9.2 The representations and warranties set out above are given and made on and as of the date of this Letter, shall survive the acceptance of this Letter and are continuing representations and warranties which are deemed to be repeated during the continuance of the Facility.

10. Covenants:

10.1 The Borrower undertakes with the Bank that:

10.1.1 The Borrower will from time to time at the request of the Bank provide to the Bank such information, as the Bank shall require including but not limited to copies of the Borrower's audited statements of financial conditions, balance sheets, profit and loss statements and reconciliations of net worth prepared in

 In witness whereof, this 10th day of _____, 20____.

+

In witness whereof, this 10th day of _____, 20____.

accordance with generally accepted accounting principles in Tanzania consistently applied.

- 10.1.2 All monies due and payable to the Bank under this Letter shall at all times rank in priority to all other present and future secured and unsecured and unsubordinated obligations (including contingent obligations) of the Borrower with the exceptions of such obligations as are mandatory preferred by law and not by contract.
- 10.1.3 The Borrower will not create any Encumbrance or permit any Encumbrance to subsist, arise or be created or extended over its assets to secure any present or future indebtedness of the Borrower without informing the bank prior to that;
- 10.1.4 The Borrower will at all times comply with and observe all covenants duties and obligations contained in this Letter and in the Security.

11. **Conditions & Terms of Approval:**

Approval Conditions;

The Borrower undertakes to comply with the following approval conditions:

- 11.1 Borrower to execute and submit all legal documents as required by the Bank
- 11.2 Borrower to signify the acceptance of the facilities by signing at three originals of the facility letter and form of acceptance.
- 11.3 The funds to be wired to supplier of the vehicles after confirmation with the client.
- 11.4 Lien over two FDRs worthy USD 129,000.
- 11.5 Directors unlimited guarantee to be in place.
- 11.6 Joint registration of the vehicles/Specific debentures over the **assets** to be bought to be in place.
- 11.7 Assignment of all receivables to be executed.
- 11.8 Borrower to pay all legal costs.

12. **Events of Default:**

- 12.1 An Event of Default occurs where:
 - 12.1.1 The Borrower fails to perform any of its obligations under this Letter or under the Security;
 - 12.1.2 Any representation or warranty made by the Borrower pursuant to this Letter or under the Security or any statement, delivered or made pursuant to it is incorrect when made;
 - 12.1.3 A material adverse change occurs, in the opinion of the Bank, in the financial condition, results of operations or business of the Borrower;
 - 12.1.4 Any action is taken for or with a view to the winding up of the Borrower or the Borrower becomes insolvent or is unable to pay the Borrower's debts or enters into dealings with any of its creditors with a view to avoiding, or in expectation of, insolvency or stops or threatens to stop payments generally or an encumbrancer takes possession or a receiver is appointed of the whole or any material part of the assets of the Borrower;
 - 12.1.5 It becomes unlawful or impossible for the Bank to make, maintain or fund the Facility or any of them as contemplated by this Letter or any of the obligations expressed as being assumed by the Borrower under this Letter or the Security

ceases to be valid, legal and binding and enforceable against the Borrower in accordance with their respective terms,

- 12.1.6 If an Event of Default occurs and at any time thereafter if such event is continuing, the Bank may, by notice to the Borrower;
- 12.1.7 Declare the obligations of the Bank hereunder to be terminated whereupon such obligations shall terminate; and /or
- 12.1.8 Declare that the security has become enforceable **where** upon all amounts payable by the Borrower in respect of the Facility there under and under the security shall become immediately due and payable, all without diligence, presentment, demand for payment Protest or nonces of any kind, all of which are hereby expressly waived by the Borrower and the provisions of paragraph 4.3 shall apply.

13. Payments:

- 13.1 All payments to be made under this Letter shall be made in the currency in which they were advanced by the Bank in immediately available funds during normal business hours. If any sum falls due under this Letter on a day, which is not a business day, payment shall be made on the next succeeding Business Day.
- 13.2 All payments to be made by the Borrower under this Letter shall be made through the current account of the Borrower with the Bank or to such account of the Bank as shall be notified in writing by the Bank to the Borrower from time to time
- 13.3 All sums payable by the Borrower under this Letter shall be paid in full without any set-off or counterclaim and (save in so far as required by the law to the contrary) free and clear of and without any deduction excluding withholding tax. If the Borrower is at any time required by law to make any deductions from any payment to the Bank, then the Borrower shall immediately pay to the Bank such additional amounts as will result in the Bank receiving the full amount it would have received had not such deduction been required except as mentioned hereinbefore and will simultaneously, provide the Bank with a Certificate of deduction in respect of the amount deducted or withheld together with evidence satisfactory to the Bank that the amount so deducted has been paid over to the relevant authorities when and as due.

14. Set-Off:

The Bank may at any time and without notice to the Borrower and notwithstanding any settlement of account combine or consolidate all or any of the Borrower's accounts with the Bank and set off or transfer any sum standing to the credit of any one or more of those accounts in or towards satisfaction of any monies obligations or liabilities of the Borrower to the Bank whether those liabilities be present, future, actual, contingent, primary, collateral, Joint or several and the Borrower expressly waives any rights of set off that it may have, so far as is permitted by law, in respect of any claim which it may now or at any time hereafter have against the Bank.

15. Ex oner and Indemnity :

- 15.1 The Borrower will pay to the Bank on demand all reasonable costs charges and expenses incurred on the accounts of the Borrower

Initials of the Borrower.....

Bank's representative:.....

Initials of the Bank's representative:.....

- 15.2 The Borrower will reimburse the Bank on demand on all expenses, including legal expenses incurred by the Bank in connection with the negotiation and preparation of this Letter and with the preparation and registration of the Security, and will reimburse the Bank on demand with all expenses incurred by the Bank in suing for or recovering any sum due to the Bank under this Letter or the Security or otherwise in protecting or enforcing its rights under this Letter or the Security, and the word "expenses" shall be deemed to include any sums which would be allowed to the Bank in taxation as between Advocate and own client.
- 15.3 The Borrower shall pay all stamp duties and other taxes (including) to which this Letter and the Security may be subject or give rise and will indemnify the Bank against any liabilities with respect to or resulting from any delay or omission on the part of the Borrower in the payment of such duties or taxes. Further, The Borrower hereby authorizes the Bank to debit its account with the Bank, with Capital Gains Tax (CGT) and all legal and registration fees relating to facilitating transfer of title and perfection of security documents of the property or properties (specifically on landed properties) pledged to the bank into the borrower's name to enable creation and perfection of security in favour of the Bank.
- 15.4 The Borrower will indemnify the Bank against any loss that the Bank may suffer as a result of granting the Facility to the Borrower.

16. Appointment of Attorney:

The Borrower hereby irrevocably appoints the Bank to be the Attorney of the Borrower and in the name and on behalf of the Borrower to execute and do any assurances acts and things which the Borrower ought to execute and do under the covenants and agreements herein contained and generally to use the name of the Borrower in the exercise of all or any of the powers hereby or by law conferred on the Bank.

17. Confidential Information:

- 17.1 The Bank may hold and process, by computer or otherwise, any information obtained about the Borrower as a consequence of this application and/or agreement/Letter of Offer.
- 17.2 The Borrower agrees that the Bank may:
- 17.1.1 Include personal data in its Borrower systems which may be accessed by other companies in the Bank's group for credit assessment, statistical analysis including behaviour and scoring and to identify products and services (including those supplied by third parties) which may be relevant to the Borrower; and
 - 17.1.2 Permit other companies within the Bank's group to use personal data and any other information it holds about the Borrower on the Bank's customer systems to bring to its attention products and services, which may be of interest to the Borrower.
- 17.3 The Borrower further agrees that the Bank may disclose personal data and/or information relating to the Borrower including data and information relating to the Transaction Documents or the assets, business or affairs of the Borrower outside the Bank's group whether

such personal data and/or information is obtained after the Borrower ceases to be the Bank's customer or during the continuance of the Banker-customer relationship or before such relationship was in contemplation:

- 17.3.1 For fraud prevention purposes;
- 17.3.2 To licensed credit reference agencies or any other creditor, if the Borrower is in breach of an agreement;
- 17.3.3 To its external lawyers, auditors and other sub-contractors or persons acting as the Bank's agents;
- 17.3.4 To any person who may assume the Bank's rights under this Letter;
- 17.3.5 If the Bank has a right or duty to disclose or are permitted or compelled to do so by law; and
- 17.3.6 For the purpose of exercising any power, remedy, right, authority, or discretion relevant to this Letter or any Transaction Document following the occurrence of an Event of Default, to any other person or third party as well.

17.4 The Borrower also agrees and authorizes the Bank to: -

- a) Make inquiries from any Bank, financial institution or Bank of Tanzania's approved credit reference bureau in Tanzania to confirm any information provided by the Borrower.
- b) Seek information from any Bank, financial institution or Bank of Tanzania's approved credit reference bureau when making any assessment on the Borrower at any time during the existence of the Borrower's account.
- c) Disclose to Bank of Tanzania's approved credit reference bureau information relating to the account maintained at the Bank or financial institution.

17.5 The Borrower acknowledges and agrees that, notwithstanding the terms of any other agreement between the Borrower and the Bank, a disclosure of information by the Bank in the circumstances contemplated by this paragraph does not violate any duty owed to the Borrower either in common law or pursuant to any agreement between the Bank and the Borrower or in the ordinary course of banking business and the customs, usage and practice related thereto and further that disclosure as aforesaid may be made without reference to or further authority from the Borrower and without inquiry by the Bank as to the justification for or validity of such disclosure.

18. Assignment:

The Borrower shall not be entitled to assign all or any part of its rights obligations hereunder without the prior consent in writing of the Bank.

19. Notices:

19.1 Any notice or other communication required to be given:

- 19.1.1 To the Bank under this Letter shall be addressed and delivered to the Bank at **Head Office** and if sent by post to Post Office Box number **804, Dar es Salaam** and if by Facsimile transmitted to Facsimile Number 022-2115388.
- 19.1.2 To the Borrower under this Letter shall be addressed and delivered to the Borrower at the following address: **P.O. Office number 33116, Dar es Salaam, Tanzania;** Or either such case at such other address as may be notified by the relevant party to the other party from time to time for this purpose;

Initial of the Borrower,

Initial of the Bank's representative -- _____

19.1.3 Or either such case at such other address as may be notified by the relevant party to the other party from time to time for this purpose;

19.2 Any notice or other communication to be given under this Letter may be given by registered post, telex or facsimile and shall be deemed to have been given if delivered in a prepaid envelope five days from the date of such delivery and in the case of telex or facsimile one Business Day after the date of its transmission.

20. **Time Waivers, Remedies Cumulative:**

20.1 Time shall be of the essence in respect of the Borrower's obligations under or in respect of this Letter or the Facility.

20.2 No failure or delay by the Bank in exercising any right, power or privilege under this Letter shall impair the same or operate as a waiver for the same nor shall any single or partial or defective exercise of any right, power or privilege preclude any further exercise of the same or the exercise of any other right, power or privilege. The rights and remedies provided in this Letter are cumulative and not **exclusive** of any rights and remedies provided by Law or by the security.

21. **Insurance:**

22.1 All insurable assets forming part of the Bank's Security shall be comprehensively insured against theft/damage/fire for the full value thereof during the tenure of the Facility by any credible insurance company with the interest of the Bank being duly noted on the policy document.

22.2 Upon the expiry of any insurance cover, the Borrower shall within **72 HOURS** of such expiry deliver to the Bank the relevant renewal advice failing which the Bank shall be at liberty to affect such insurance at the Borrower's cost without further reference to the Borrower and debit the Borrower's account with any amount paid by the Bank.

22. **Law Applicable:**

This Letter and the contract arising out of the Borrower's acceptance of the Facility on the terms and conditions set out in this Letter shall be governed by and construed in all respects in accordance with the Laws of Tanzania. Nothing in this Paragraph shall limit the right of the Bank to take proceedings against the Borrower in any other Court of competent jurisdiction, nor shall the taking of proceedings at one or more jurisdictions preclude the taking of proceedings in any other Jurisdiction, whether concurrently or not.

23. **Offer Period:**


The offer contained in this Letter is available to the Borrower for acceptance as provided in this Letter until the Commitment Expiry Date after which date the offer will lapse unless extended in writing by the Bank.

Yours faithfully,

lti-

v.r.:

Harrison Mashauri
BUSINESS BANKER


Charles Massawe
ANCH MANAGER

Signature of the Borrower 

FORM OF ACCEPTANCE

**MANAGING DIRECTOR
KCB BANK TANZANIA LIMITED
P.O. BOX 804
DAR ES SALAAM**

Dear Sir,

We refer to your letter dated **01st September 2022** (of which the above is a copy) in which you offered to place at our disposal a new Asset Based Finance facility of **USD. 277,200.00 (United States Dollars Two Hundred Seventy-Seven Thousand Two Hundred Only)** in the terms and conditions contained therein and we are pleased to accept such offer on such terms and conditions. We further confirm that we have obtained independent legal advice and opinion on the meaning of the terms and conditions contained therein as well as their full purport effect and tenor.

Signed and Scaled with the common seal of the said }
**KIKARE CONSOLIDATED
COMPANY LIMITED**
and delivered at _____ in the presence
of us thisday of.....2022,

Company Seal

Signature: *Elisifa*
Name: **ELISIFA ADAMIELI NGOWI**
Address: **P.O. Box 33116 DSM**
Qualification: **Director**

X Signature: *Indigent*
Name: **INNOCENT ELISIFA NGOWI**
Address: **P.O. Box 33116 DSM**
Qualification: **Director/Company
Secretary**

Initials of the Director/Company Secretary: \$

Initials of the Director/Company Secretary: _____

Third Party Acknowledgments and Undertakings

I/We **ELISIFA AWUNIELI NGOWI** and **INNOCENT ELISIFA NGOWI** to us the contents of this Agreement and fully acknowledge and understand the contents thereof and in consideration of the Bank agreeing to make the Facility available to the Borrower, we:-

- (1). acknowledge, understand, confirm and agree that this Agreement may be amended, varied, replaced or supplemented from time to time without further notice to or acknowledgment from ourselves and in particular that the rate or rates of interest (including the default rate or rates) referred to in the Commercial Terms and the methods of calculation thereof may change from time to time;
- (ii). agree and undertake to create such charge(s) or mortgage(s) in such form as we are required to create by virtue of the provisions of this Agreement and/or any variation or replacement thereof. and
- (11). confirm that we have given the undertakings set out in (i) and (ii) above voluntarily and intending to be legally bound without any duress, influence or undue influence whatsoever.

Date: _____

SIGNED and DELIVERED at _____ by the said **ELISIFA AWUNIELI NGOWI** who is known to me personally/identified to me by _____ the latter being known to me personally in my presence this day of 2022

Elisifa Ngowi
Guarantor



Name: Elisifa Ngowi

Signature: _____

Qualification: _____

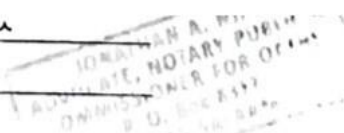
Qualification: Notary Public

SIGNED and DELIVERED at J by the said **INNOCENT ELISIFA NGOWI** who is known to me personally/identified to me by _____ the latter being known to me personally in my presence this day of 2022

Innocent Ngowi
Gua

Name: Jonathan A. Njau

Signature: _____



Qualification: _____

Qualification: Notary Public

ANNEXURE J**List of Documents required from the Borrower:**

1. This Facility Agreement and Form of acceptance duly signed by the Borrower in at least four originals.
2. Board resolution by the Borrower authorizing borrowing and issuance of securities to secure the exposure and the procurement of securities.
3. Copies of Fire and allied perils risk insurance policy over assets and properties charged noting the interest of KCBT as the first loss payee.
4. All other documents required under clause 11 as provided under this Agreement

ANNEXURE K**List of Securities required by the Bank**

1. Original FDR Receipt with Ref No MM/21253 amounting to US\$ 79,000.68 maturing on 09th September, 2022 in the name of Elistfa Awumel Ngowi and Original FDR Receipt with Ref No. MM/22237/QWNN amounting to US\$ 50,000.00 maturing on 24th August, 2023
2. Letter of set-off in respect of FDR receipt with Ref No. MM/21253 amounting to US\$ 79,000.68 maturing on 09th September, 2022 in the name of Elistfa Awumel Ngowi and Original FDR Receipt with Ref No. MM/22237/QWNN amounting to US\$ 50,000.00 maturing on 24th August, 2023
3. Lien or Consent in respect of issuance of FDR receipt with reference number MM/21253XHYJH" in the name of Elistfa Awumel Ngowi and FDR US\$ 50,000.00 with Certificate "MM22237QLINN" in the name of KIKARE Consolidated Company Limited.
4. Deed of Assignment of Receivables
5. Director's Joint and Personal Guarantee and indemnity to be registered to cover unspecified amount.
6. Specific Debenture over the acquired brand new 4 unit of Tractors and 3 units of Flatbed Trailers.

DATED THIS _____ DAY OF _____, 2023

THE IAND ACT NO. 4 OF 1999

AND

THE IAND REGISTRATION ACT
(CAP. 334 R: E 2002)

MORTGAGE OF A RIGHT OF OCCUPANCY

OF

A IANDED PROPERTY ON PLOT NO. 1586, BLOCK "F", LOCATED AT HIMO URBAN AREA. LO
NO. 449376, COMPRISED UNDER C.T. NO. 44217LR MOSHI

CREATED BY

ONGOYAELI HERI NGOWI

IN FAVOUR

KCB BANK TANZANIA LIMITED

IN RESPECT OF CREDIT FACILITIES IN AGGREGATE SUM OF USO 1,078,607.00 (UNITED STATES
DOLLARS ONE MILLION SEVENTY-EIGHT THOUSAND SIX HUNDRED SEVEN ONLY)
TO BE REGISTERED AND STAMPED TO SECURE UNSPECIFIED AMOUNT TOGETHER WITH
INTEREST AND OTHER CHARGES THEREIN EXTENDED TO KIKARE CONSOLIDATED COMPANY
LIMITED

DRAWN BY:
KCB BANK LEGAL DEPARTMENT
P.O. BOX 804,
DAR ES SALMM.

**THE LAND ACT No. 4 OF 1999
AND
THE LAND REGISTRATION ACT
(CAP. 334)**

MORTGAGE OF A RIGHT OF OCCUPANCY

OF

**A LANDED PROPERTY ON PLOT NO. 1586, BLOCK "P", LOCATED AT HIMO URBAN AREA. LO
NO. 449376, COMPRISED UNDER C.T. NO. 44217LR MOSHI**

THIS MORTGAGE dated this _____ **day** _____ .2023 is issued:

BETWEEN

ONGOYAELI HERJ NGOWI of P. O. Box 637, Marangu (hereinafter referred to as the "**Mortgagor**") which expression shall, unless the context does not so permit, include its assigns and successors in title:

AND

KCB BANK TANZANIA LIMITED, a banking corporation incorporated under the Companies Act (Cap. 12 R.E. 2002) and licensed as a Commercial Banking and Financial Institutions Act. No. 5 of 2006 (**as amended from time to time**), whose registered office is at Harambee Plaza, Ali Hassan Mwinyi/Kaunda Drive Junction, of P.O.Box 804. Dar es Salaam (Herein referred to as the "**Mortgagee/Bank**") Which expression shall, unless the context does not so permit, include its assigns and successors in title.

WHEREAS:

- A. The Bank has agreed to extend to **KIKARE CONSOLIDATED COMPANY LIMITED** (herein referred to as "**the Borrower**") credit Facilities in aggregate sum of **USO 1,078,607.00 (United States Dollars One Million Seventy-Eight Thousand Six Hundred Seven Only)** to be stamped and registered to *secure* **Unspecified Amount** and other charges thereon hereinafter referred to as "**The Facility**" pursuant to the **Facility letter** dated the **21st December, 2022**. A copy of the Facility Letter is annexed hereto and marked as **Annexure "A"** and shall be read as part of this mortgage as if the same were written herein word for word, unless the context does not so permit.
8. In consideration of the **Mortgagee** agreeing *to* extend to the **Mortgagor** the **Facilities**, and at the request of the **Mortgagee**, the **Mortgagor** has agreed and is now desirous of creating a mortgage over its above named *assets* registered under **Certificate of Title No. 44217LR Moshi** (hereinafter referred to as "**The Property**") being this Mortgage, as security for the performance by the **Mortgagor** of its obligations to the **Mortgagee**;

NOW WHEREFORE THIS MORTGAGE DEED WITNESSETH as follows:-

SECTION I

COVENANT TO PAY AND EVENTS OF DEFAULT

- 1.01 **Covenant to Pay:** The **Mortgagor** hereby covenant to pay to the **Mortgagee** all monies and discharge all obligations and liabilities, whether actual or contingent, now or hereafter due. owing or incurred to the **Mortgagee** by the **Mortgagor** in whatever currency denominated whether on any current or other type of account or otherwise in any manner whatsoever (whether singly or jointly and in whatever style, name or form and whether as principal or surety) in connection with the **Facilities** and upon such other terms as may from time to time be agreed upon between the **Mortgagor** and the **Mortgagee**, together with all commission, fees and other charges and all legal and other costs and expenses incurred by the **Mortgagee** in relation to the **Mortgagor** or the Property hereby charged, **PROVIDED HOWEVER** that the **Mortgagor's** obligations hereunder shall be enforceable only upon the happening of the events of default spelt out hereinafter.
- 1.02 **Events of Default:** The **Mortgagee** shall cease to be under any further commitment to the **Mortgagor** and all monies, obligations and liabilities hereby secured shall become due and payable on demand in accordance with the provisions of the Land Act, No. 4 of 1999 in relation to the enforcement of Mortgages, and the **Mortgagor** shall thereupon provide cash cover on demand for all contingent liabilities of the **Mortgagor** to the **Mortgagee** and for all notes or bills accepted endorsed or discounted and all bonds, guarantees, indemnities, documentary or other credits or any other instruments whatsoever from time to time issued or entered into by the **Mortgagee** or at the request of the **Mortgagor**, after the occurrence of any of the following events of defaults, namely:-
- a) If the **Mortgagor** fails to pay on the due date any monies or to discharge any obligation or liability payable by it from time to time the **Mortgagee** or fails to comply with any term, condition, covenant or provision of the **Facility Letter** or if any representation, warranty or undertaking from time to time made to the **Mortgagee** by the **Mortgagor** or the **Mortgagee** is or becomes incorrect or misleading in any material respect;
 - b) If the **Mortgagor** defaults on any of the obligations relating to the **Facilities** or any part thereof become payable prior to the stated maturity or are not paid when due or if any mortgage, charge or other security now or hereafter created by the **Mortgagor** become enforceable against the property hereby charged or if any facility or commitment now or hereafter available to the **Mortgagor** is withdrawn or cancelled by reason of default;
 - c) If a petition is presented or an interim order or a bankruptcy order made or analogous proceedings are taken against the **Mortgagor**;
 - d) If an encumbrancer takes possession or exercises or attempts to exercise any power of sale or a receiver is appointed of the whole or any part of the property, assets or revenues of the **Mortgagor**;
 - e) If any judgment of order made against the **Mortgagor** is not complied with within seven days or if an execution, distress, sequestration or other process is levied or enforced upon or Issued against any part of the property, assets or revenues of the **Mortgagor**, if any such action jeopardizes the **Mortgagee's** interests under this Mortgage;

- f) If the **Mortgagor** stops payment or agrees to declare a moratorium or becomes or is deemed to be insolvent or unable to pay debts as and when they fall due or if a notice is issued convening a meeting of, or the **Mortgagor** proposes or enters into any composition or arrangement with creditors generally or any class of creditors:
- g) If the **Mortgagor** without the prior consent in writing of the **Mortgagee** ceases or threatens to cease to carry on its business or any material part thereof or changes the nature or mode of conduct of trading or if any partnership in which the **Mortgagor** is a party of or becomes a partner of is dissolved:
- h) If any material part of the property, assets or revenues of the **Mortgagor** is sold or disposed of or threatened to be sold or disposed of (other than in the normal course of trading) whether in a single transaction or a number of transactions or is nationalized, compulsorily acquired, seized or appropriated, which adversely affects the **Mortgagee's** interests as the mortgage under this **Mortgage**;
- i) if any necessary consent to the user of the property hereby charged for its existing use is revoked or withdrawn:
- j) if this **Mortgage** or any guarantee, indemnity or other security for any monies obligation or liability hereby secured fails or ceases in any respect to have full force and effect or is terminated or disputed or becomes in jeopardy, invalid or unenforceable:
- k) if at any time any license authorization, consent or registration necessary or desirable to enable the **Mortgagor** to comply with its obligations to the **Mortgagee** or to carry on business shall be revoked, withheld or materially modified or shall fail to be granted or perfected or shall cease to remain in full force and effect:
- l) if any of the foregoing events occurs without prior consent in writing of the **Mortgagee** in relation to any third party who now or hereafter has guaranteed or provided security for or given an indemnity in respect of any monies obligation or liability hereby secured:

1.03 **Notice of Default:** The **Mortgagor** hereby covenants immediately to notify the **Mortgagee** in writing of the occurrence of any of the events of defaults specified in Clause 12.1 or of the occurrence of any event which, with the lapse of time or giving of notice, may constitute any of the events of default.

SECTION II

PROFIT, PENALTY INTEREST AND OTHER CHARGES.

2.01 **Profit, Penalty Interest and Other Charges:** This **Mortgage** covers, in addition to the **Facilities**, interest, penalty interest and all other charges on the **Facilities** at the rates specified in the **Facility letter** subject to change from time to time in line with market conditions pursuant to the **Facility letter**.

SECTION III

CREATION OF A CHARGE

3.01 **Nature of Charge:** The **Mortgagor** as beneficial owner hereby charges to the **Mortgagee** by way of a first ranking legal mortgage the **Property** situate on the parcel of land described hereinbefore and all buildings and fixtures from time to time thereon (together the "**Property**") as a continuing security for the payment of all monies and the discharge of all obligations and liabilities covenanted to be paid by the **Borrower** or otherwise hereby secured and this charge shall subsist so long as there are outstanding amounts on the **Facilities**.

- 3.02 **Mortgage Registration:** The **Mortgagor** shall register this **Mortgage** pursuant to the Land Registration Act. Cap. 334 Revised Edition 2002. Should the **Mortgagee** be so requested, such registration can be done by the **Mortgagee** at the **Mortgagor's** cost.
- 3.03 **Lien on Mortgagor's Accounts:** The **Mortgagor** hereby agree that the **Mortgagee** may at any time without notice after an event of default has continued for a month and the **Mortgagee** has issued a two months notice or in making demand notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of the accounts existing at that time of the notice which the **Mortgagor** keeps or will keep with the **Mortgagee**, if any, wheresoever's situate and set off or transfer any sum standing to the credit of any one or more such accounts in or towards satisfaction of any obligations and liabilities of the **Mortgagor** to the **Mortgagee** arising out of the **Facility**. Where such combination, set-off or transfer requires the conversion of one currency into another such conversion shall be calculated at the then prevailing currency rate of the **Mortgagee** for purchasing the currency for which the **Mortgagor** are liable.

SECTION IV **COVENANTS OF THE MORTGAGOR**

- 4.01 Covenants;_ The **Mortgagor** hereby covenant with the **Bank** that during the continuance of this security the **Mortgagor** will at all times:-
- a) Keep all buildings and erections, and all roads, passageways, pipes, wires, cables, drains and sanitary and water apparatus and all fixtures and fittings and every part thereof in or upon the **Property** in good and substantial repair and in good working order and condition and not to make any structural or material alteration thereto or pull down or remove or sell otherwise dispose of any of the same without the prior consent in writing of the **Mortgagee** except in the ordinary course of use, repair maintenance or improvement. If the **Mortgagor** is at any time in default in complying with this covenant the **Mortgagee** shall be entitled but not bound to repair and maintain the same with power for the **Mortgagee** its agents and their respective employees to enter the **Property** for that purpose or to inspect the same and any sum so expended by the **Mortgagee** shall be repayable by the **Mortgagor** to the **Mortgagee** on demand together with interest at the rate specified in the **Facility Letter** from the date of the written demand by the **Mortgagee** as mentioned aforesaid;
 - b) observe and perform all environmental laws, regulations, directions and codes of practice and all covenants and stipulations from time to time affecting the or mode of use or enjoyment of the same and not without the prior consent in writing of the **Mortgagee** enter into any onerous or restrictive obligations affecting any portion of the **Property**;
 - c) Punctually pay and indemnify the **Mortgagee** and any receiver appointed by it against all existing and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever (whether imposed by agreement statute or otherwise) now or at any time during the continuance of this security payable in respect of the **Property** or any part thereof or by the owner or occupier thereof. If any such sums shall be paid by the **Mortgagee** or by any such receiver the same shall be repaid by the **Mortgagor** on demand with interest at the Default Rate.
 - d) (i) at the expense of the **Mortgagor** Insure and keep Insured all the **Property** with Insurers previously approved by the **Mortgagee** In writing against loss or damage by fire, civil commotion, explosion, earthquake, subsidence, landslip, aircraft and articles dropped there from • flood, storm, lighting, burst pipes, theft, malicious damage, impact and such other risks and full replacement value thereof from time to time Including architects'.

surveyors', engineers' and all other professional fees and demolition charges together with full provision for estimated inflation and loss of rent for three years in the name of the **Mortgagor** with the interest of the **Mortgagee** noted on the policy and policy containing provisions for the protection of the **Mortgagee** as the **Mortgagee** may reasonably require to avoid the interest of the **Mortgagee** being prejudiced by any act of the **Mortgagor** or of any occupier:

(ii) Duly pay within one week of the same becoming due all premiums and other monies necessary for effecting and keeping up such insurance and on demand produce to the **Mortgagee** the policies of such insurance and proof of such payments failing which the **Mortgagee** may take out or renew such insurance in any sum which the **Mortgagee** may think expedient and all monies expended by the **Mortgagee** under this provision shall be reimbursed by the **Mortgagor** on demand and bear interest at the Default Rate from the date the **Mortgagee** incurs such expenditure:

(iii) All monies to be received by virtue of any insurance relating to the **Property** maintained or effected by the **Mortgagor** (whether or not in pursuance of the obligations hereunder) are hereby charged to and shall be paid to the **Mortgagee** (or if not paid by the insurers directly to the **Mortgagee** held in trust for the **Mortgagee**) and shall at the option of the **Mortgagee** be applied towards replacing, restoring or reinstating the property or assets destroyed, damaged or lost (any deficiency being made good by the **Mortgagor**) or (save in the case of leasehold premises) in reduction of the monies obligations and liabilities hereby secured:

(iv) **PROVIDED** that if at all times the interest of the **Mortgagee** is noted on the policies of insurance and such policies cover such risks as the **Mortgagee** shall require and all policies contain in favor of the **Mortgagee** such provisions for the protection of the **Mortgagee** as the **Mortgagee** may reasonably require and insurance is to the full replacement value of the Property, the **Mortgagee** will accept as being in compliance with the terms of this clause any existing insurance maintained by the **Mortgagor** in respect of the Property.

- e) Not without the prior consent in writing of the **Mortgagee** create or attempt to create or permit to subsist any mortgage or charge upon or permit any lien or other encumbrance to arise on or effect any part of the **Property**:
- f) not to do so or cause or permit to be done anything which may in anyway depreciate, jeopardize or otherwise prejudice the value to the **Mortgagee** of the security hereby charged nor permit any person to become entitled to any proprietary right or interest which might affect the value of the **Property** or any part thereof:
- g) not without the prior consent in writing of the **Mortgagee** part with possession or transfer, sell, lease or otherwise dispose of any interest in the **Property** or any part thereof nor attempt or agree *so* to do;
- h) no person shall without the prior consent in writing of the **Mortgagee** be registered as proprietor under the Land Registration Ordinance of the **Property** or any part thereof or interest therein nor without such consent shall the **Mortgagor** create or permit to arise any overriding interest affecting the Property:
- i) deposit with the **Mortgagee** and permit the **Mortgagee** during the continuance of this security to hold and retain all deeds and documents of title and insurance policies relating to the **Property** as the **Mortgagee** may from time to time require;
- j) pay the rents reserved by and generally observe and perform the terms, covenants, stipulations and conditions contained in the Certificate of Occupancy under which the **Mortgagor** hold the **Property**:

- k) notwithstanding the prior consent in writing of the **Mortgagee** vary surrender, cancel, assign, charge or otherwise dispose of or permit to be forfeited any Right of Occupancy over the **Property** or any part thereof or agree to do so.

SECTION V
ADDITIONAL FORMALITIES

- 5.01 **Perfecting the Mortgage:** The **Mortgagor** shall at any time if and when required by the **Mortgagee** execute such further legal or other mortgages, charges or assignments in favor of the **Mortgagee** as the **Mortgagee** shall from time to time require over all or any of the **Property** and all rights and remedies relating thereto both present and future to secure all monies, obligations and liabilities hereby covenanted to be paid or otherwise of the powers conferred on the **Mortgagee** or a receiver appointed by it, such further mortgages, charges or assignments to be prepared by or on behalf of the **Mortgagee** at the cost of the **Mortgagor** and to contain such other clauses for the benefit of the **Mortgagee** as the **Mortgagee** may reasonably require.

SECTION VI
POWERS OF THE BANK

- 6.01 **Timing of Exercise of Powers:** At any time after the **Mortgagee** shall have demanded payment of any monies or the discharge of any obligation or liability hereby secured in accordance with the Land Act No. 4 of 1999 or if requested by the **Mortgagor** the **Mortgagee** may exercise powers conferred on him by the Land Act No. 4 of 1999 as hereby varied or extended and all the powers and discretions hereby conferred either expressly or by reference on a receiver appointed hereunder. Nothing that shall be done by or on behalf of the **Mortgagee** or a receiver appointed by him shall render it or him liable to account as a lender in possession for any sums other than actual receipts.
- 6.02 **Right of Bona Fide Purchaser:** No purchaser or other person shall be bound or concerned to see or enquire whether the right of the **Mortgagee** or any receiver appointed by it to exercise any of the powers hereby conferred, has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.
- 6.03 **Appointment of Receiver:** At any time after the **Mortgagee** shall have demanded payment of any monies or the discharge of any obligation or liability hereby secured in accordance with the provisions of the Land Act No. 4 of 1999 or if requested by the **Mortgagor** the **Mortgagee** may in writing under its Common Seal or under the hand of any Director or Manager duly appointed by the **Mortgagee** appoint any person to be receiver and/or manager of the **Property** or any part thereof (with power to authorize any joint receiver and/or manager to exercise any power independently of any other joint receiver and/or manager) and may from time to time fix its or their remuneration and may remove any receiver and/or manager so appointed and appoint another in its place as to the whole or any part of the **Property**. A receiver and/or manager so appointed shall be the agent of the **Mortgagor** and the **Mortgagor** shall be solely responsible for its acts or defaults and for its remuneration and such receiver and/or manager so appointed shall have all the powers conferred by the law without the restrictions and such receiver and manager may:
- a) take possession of, collect, get in, and give receipts binding on the **Mortgagor** for the **Property** and all rents and other income thereof whether accrued before or after the

date of its appointment in such manner as he may think fit and bring, defend or discontinue any proceedings or submit to arbitration in the name of the **Mortgagor** or otherwise as may seem expedient to him:

- b) sell by public auction or private contract, let, surrender or accept surrenders, grant licenses or otherwise dispose of or deal with all or any part of the Property or concur in so doing in such manner, for such consideration and generally on such terms and conditions as he may think fit, with full power to convey, let, surrender, accept surrenders or otherwise transfer or deal with the **Property** in the name of and so as to bind the **Mortgagor** if he shall consider it necessary or expedient so to do. Any such sale, lease or disposition may be for cash, debentures or other obligations, shares, stock, securities or other valuable consideration and be payable immediately or by installments spread over such period as he shall think fit and so that any consideration received or receivable shall ipso facto forthwith be and become charged with the payment all the monies, obligations and liabilities secured hereby. Fixtures and fittings may be served and sold separately from the **Property** and the receiver may apportion any rent and the performance of any obligations affecting the premises sold without the consent of the **Mortgagor**:
- c) generally deal with, manage, develop or reconstruct the **Property** or any part thereof or concur in so doing including power to lease or otherwise acquire and carry out or complete any works of building, repair or reconstruction (with power to use any machinery and incorporate in any building any unfixated materials) without being responsible for loss or damage:
- d) make any arrangement or compromise, allow time for payment or enter into, abandon, cancel or disregard any contracts which he shall think expedient:
- e) make and effect such repairs, renewals and improvements to the Property or any part thereof as he may think fit and maintain, renew, take out or increase insurances:
- f) appoint managers, agents, officers and employees for any such purposes or to guard or protect the Property at such salaries and commissions for such periods and on such terms as he may determine and dismiss the same:
- g) acquire, renew, extend, grant, vary or otherwise deal with such easements, rights, privileges and licenses over or for the benefit of the **Property** which he shall think expedient:
- h) raise or borrow any monies (including monies for the completion with or without modification of any building in the course of construction or renovation and any development or project which he considers beneficial) from or incur any other liability to the **Mortgagee** or others on such terms and with or without security as he may think fit and so that any such security may be included a charge on the whole or any part of the **Property** ranking in priority to this security or otherwise:
- i) sign and document, execute any deed and do all such other acts and things as may be considered by him to be incidental or conducive to any of the matters or powers aforesaid or to the realization of the **Mortgagee's** security and use the name of the **Mortgagor** for all the above purposes.

6.04 **Appropriation of Proceeds:** All monies received by the **Mortgagee** or by any receiver or manager appointed by the **Mortgagee** in the exercise of any powers conferred by this **Mortgage** shall be applied after the discharge of the remuneration and expenses of such receiver and all liabilities having priority thereto in or towards in or towards satisfaction of the monies, obligations and liabilities hereby secured and in such order as the **Mortgagee** in its absolute discretion may from time to time conclusively determine, save that the **Mortgagee** may credit the same to a suspense account for so long and in such

manner as the **Mortgagee** may from time to time determine and the receiver may retain the same for such period as he and the **Mortgagee** consider expedient.

- 6.05 **Costs:** The **Mortgagor** hereby covenant with the **Mortgagee** on demand to pay all costs, charges and expenses incurred by the **Mortgagee** or by any such receiver or which it or he shall properly incur in or about the enforcement preservation or attempted preservation of this security or of the **Property** or in the exercise or purported exercise of any of the powers herein contained on a full indemnity basis with interest at the Default Rate from the date of payment by the **Mortgagee** or such receiver. Any such receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by such receiver in accordance with the current practice of its firm.

SECTION VII **CONTINUITY OF SECURITY**

- 7.01 This security shall be a continuing security notwithstanding the bankruptcy or insolvency of the **Mortgagor** or any settlement of account or other matter whatsoever and is in addition to and shall not merge with or otherwise prejudice or affect any contractual or other right or remedy any guarantee, indemnity, lien, pledge, bill, note, mortgage, charge or other security (whether created by the deposit of documents or otherwise) now or hereafter held by or available to the **Mortgagee** and shall not be in any way prejudiced or affected thereby or by the invalidity thereof or by the **Mortgagee** now or hereafter dealing with exchanging, releasing, varying or abstaining from perfecting or enforcing any of the same or any rights which it may now or hereafter have or giving time for payment or indulgence or compounding with any other person liable.

SECTION VIII **POWER OF ATTORNEY**

- 8.01 **Appointment of Attorney:** The **Mortgagor** by the way of security hereby irrevocably appoint the **Mortgagee** and the persons deriving title under it and separately and any receiver appointed hereunder severally to be her attorney in the name and on behalf of the **Mortgagor** or otherwise to execute, seal and deliver any document which the **Mortgagee** may require for perfecting its title to or for vesting the **Property** in the **Mortgagee** or its nominees or in any purchaser and otherwise generally to sign, seal, deliver and otherwise perfect any such legal or other mortgage charge or assignment referred to in section V and all such deeds and documents and do all such acts and things as may be required for the full exercise of the powers hereby conferred including any sale, lease or disposition, realization or getting in of the **Property** and this appointment shall operate as a general Power of Attorney. The **Mortgagor** hereby covenant with the **Mortgagee** and separately with any such receiver to ratify and confirm any deed document act and thing and all transactions which any such attorney may lawfully execute or do.

SECTION IX
EXCLUSION OF THE MORTGAGOR'S POWERS OF LEASING

- 9.01 **Restrictions:** During the continuance of this security the statutory and any other powers of leasing, letting, entering into agreements for leases or letting and accepting or agreeing to accept surrenders of leases or tenancies shall not in relation to the **Property** or any part thereof be exercisable by the **Mortgagor** nor shall the **Mortgagor** part with possession of the same or any part thereof nor confer any license, right or interest to occupy nor grant any license or permission to assign, underlet or part with possession of the same or any part thereof no agree, suffer or permit any variation or addition to the terms of any lease, tenancy or license without in every such case obtaining the prior consent in writing of the **Mortgagee**.

SECTION X
MISCELLANEOUS

- 10.1 No failure or delay by the **Mortgagee** in exercising any right or remedy shall operate as a waiver thereof nor shall any single or partial exercise or waiver of any right or remedy preclude its further exercise or the exercise of any other right or remedy.
- 10.2 Each of the provisions of this Mortgage is severable and distinct from the others and if at any time one or more of such or provisions is or become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
- 10.3 Any notice or demand for payment by the **Mortgagee** shall without prejudice to any other effective mode of making the same be deemed to have been properly served on the **Mortgagor** if served on the **Mortgagor** or its representative personally or delivered or sent by first class letter post or telex to the **Mortgagor** or their personal representatives at his usual or last known place of abode or business. Any such notice or demand or any certificate as to the amount at any time secured hereby shall be conclusive and binding upon the **Mortgagor** if signed by an officer of the **Mortgagee**.
- 10.4 In this Mortgage the headings to clauses are for convenience only and have no legal effect and references to clauses and schedules are to clauses and schedules of this Mortgage unless otherwise stated.
- 10.5 In this Mortgage the expressions 'the **Mortgagor**' and 'the **Mortgagee's**' shall have the meanings assigned to them in the preamble, and any reconstructions, re-organization, change in the constitution of the **Mortgagee** or its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights hereunder.
- 10.6 Any appointment or removal of a receiver under Section VI and any consent hereunder may be made or given by writing signed or sealed by any such successors or assigns referred to in Section 10.05 and the **Mortgagor** hereby irrevocably appoint each of the same to be their attorney in the terms and for the purposes set out in Section VII.

SECTION XI

CURRENCY CLAUSES

- 11.1 All monies received or held by the **Mortgagee** or by a receiver under this Mortgage may from time to time after demand has been made by the **Mortgagee** be converted into such other currency as the **Mortgagee** considers necessary or desirable to cover the obligations and liabilities actual or contingent of the **Mortgagor** in that other currency at the then prevailing spot rate of exchange of the **Mortgagee** (as conclusively determined by the **Mortgagee**) for purchasing that other currency with the existing currency.
- 11.2 If and to the extent that the **Mortgagor** fail to pay the amount due on demand the **Mortgagee** may in its absolute discretion without notice to the **Mortgagor** purchase at any time thereafter so much of any currency as the **Mortgagee** considers necessary or desirable to cover the obligations and liabilities actual or contingent of the **Mortgagor** in such currency hereby secured at the then prevailing spot rate of exchange of the **Mortgagee** {as conclusively determined by the **Mortgagee**} for purchasing such currency with local currency and the **Mortgagor** hereby agree to indemnify the **Mortgagee** against the full local currency cost incurred by the **Mortgagee** for such purchase.
- 11.3 Neither the **Mortgagee** nor any receiver shall be liable the **Mortgagor** for any loss resulting from any fluctuation in exchange rates before or after the exercise of the foregoing powers.
- 11.4 No payment to the **Mortgagee** shall discharge the obligation or liability of the **Mortgagor** in respect of which it was made unless and until the **Mortgagee** shall have received payment in full in the currency in which such obligation or liability was incurred and to extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability actual or contingent expressed in that currency the **Mortgagee** shall have a further separate cause of action against the **Mortgagor** and shall be entitled to enforce the charge hereby created to recover the amount of the shortfall.

SECTION XI JURISDICTION

- 12.1 This Mortgage shall be governed by and interpreted in accordance with Tanzanian law.
- 12.2 The **Mortgagor** hereby irrevocably submits to the non-exclusive jurisdiction of the courts of Tanzanian and this Mortgage may be enforced in any court of competent jurisdiction.

SIGNED and **DELIVERED** by the said
ONGOYAELI HERI NGOWI

who is known to me personally/identified to me by
.....the latter
being known to me personally in my presence
thisday of 2023

MO  'R

Signature: _____

Full Name: _____

Postal Address: _____

Designation: _____



SIGNED and **SEALED** with the common seal of the said}
KCB BANK TANZANIA LIMITED
and delivered in Dar es Salaam in the presence of us
this _____ **day** _____ 2023

SEAL

Signature: _____

Name: _____

Address: P. O. Box 804
Dar es Salaam

Qualification: Director/Authorized Signatory

Signature: _____

Name: _____

Address: P. O. Box 804
Dar es Salaam

Qualification: Director/Company Secretary/Authorized Signatory



07th September 2022

CERTIFICATE OF SECURITIES POSITION (CSP)

KIKARE CONSOLIDATED COMPANY LIMITED ('the Borrower')

**To Credit Administration Unit
KCB Bank Tanzania Limited**

Dear Sir,

We refer to the Facility Agreement dated **01st September 2022** (herein after referred to as the 'Facility Letter'). This document is issued to confirm the securities status.

A. THE FOLLOWING DOCUMENTS AND SECURITIES HAVE BEEN RECEIVED AS PER ANNEXTURE I OF THE FACILITY LETTER:

1. This Facility Agreement and Form of acceptance duly signed by the Borrower in at least four originals.
2. Board resolution by the Borrower authorizing borrowing and issuance of securities to secure the exposure and the procurement of securities.
3. Copies of Fire and allied perils risk insurance policy over assets and properties charged noting the interest of KCBT as the first loss payee.
4. All other documents required under clause 11 as provided under this Agreement.

B. THE FOLLOWING SECURITIES ARE HELD AS PER ANNEXTURE II OF THE FACILITY LETTER:

1. Original FDR Receipt with Ref No. MM/21253 amounting to USD 79,000.68 maturing on 09th September, 2022 i.n.o Elisifa Awuniel Ngowi and Original FDR Receipt with Ref No. MM/22237/QLJNN amounting to USD50,000.00 maturing on 24th August, 2023
2. Letter of set-off in respect of FDR receipt with Ref No. MM/21253 amounting to USD 79,000.68 maturing on 09th September, 2022 i.n.o Elisifa Awuniel Ngowi and Original FDR Receipt with Ref No. MM/22237/QLJNN amounting to USD50,000.00 maturing on 24th August, 2023
3. Lien or Consent in respect of issuance of FDR receipt with reference number MM/21253XHYJH" in the name of Elisifa Awuniel Ngowi and FDR USD 50,000.00 with Certificate "MM22237QLINN" in the name of KIKARE Consolidated Company Limited.

C. THE FOLLOWING SECURITIES ARE PENDING REGISTRATION AS PER ANNEXTURE II OF THE FACILITY LETTER:

4. Deed of Assignment of Receivables
5. Director's Joint and Personal Guarantee and indemnity to be registered to cover unspecified amount.

6. Specific Debenture over the acquired brand new 4 unit of Tractors and 3 units of Flatbed Trailers.

(Currently under registration)

Please be guided with the above information for any discretionary decisions. Confirmation of other conditions precedent to be made by Credit before disbursement.

LOUIS KASUNGA,



Elias N. Kasunga

Securities and Documentation Manager



Avitus Kyaruzi

Snr. Manager Securities and Documentation



Head Office

Harambee Plaza

Ali Hassan Mwinyi/Kaunda Drive Junction

P O. Box 804 Dar es Salaam, Tanzania

+255 22 2160000 / 2199100

Toll free 0800 780 071 / 0800 750 002

customercare@tz.kcbbankgroup.com

REF: KCBT/RTL/OYS/CQ NO. 2851737

01st September 2022

**KIKARE CONSOLIDATED COMPANY LIMITED,
P.O. BOX 33116,
DARES SALAAM - TANZANIA.**

Dear Directors,

RE: BANKING FACILITIES

We offer to place at your disposal the Facility details whereof are set out herein on the following terms and conditions:

1. Deinitions:

In this Letter, the expressions following shall, except where the context otherwise requires, bear the meanings attributed to them respectively:

- 1.1 "Bank" means **KCB Bank Tanzania Limited**, a Banking company incorporated in the United Republic of Tanzania, whose address is Post Office Box No. 804, Dar es Salaam and includes their successors and assigns;
- 1.2 "Base Rate" means the Bank's Lending Rate as reviewed from time to time (**currently at 19% p.a. for Tanzania Shillings facilities and 9% p.a. for USD facilities**). In the event that the Bank ceases to have a Base Rate, means the rate of interest that the Bank shall at its sole discretion from time to time charge within the limits permitted by law;
- 1.3 "Borrower" means **KIKARE CONSOLIDATED COMPANY LIMITED** whose address is **Post Office Box 33116, Dar es Salaam** in the United Republic of Tanzania and shall include its successors and assigns as the case may be;
- 1.4 "Business Day" means a day on which Banks are open for business in Tanzania.
- 1.5 "**Commitment Expiry Date**" means **30 days from the date of this letter.**
- 1.6 "Encumbrance" includes any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, security interest, title retention, preterent rights of set off, Counterclaim, **Banker's** lien or other encumbrance securing any obligation of any person;
- 1.7 "Event of Default" means any one of the events specified in Paragraph 12 of this letter;
- 1.8 "Facility" means the Facility details of which are set out in paragraph 2.2. Of this Letter;
- 1.9 "Letter" means this Facility letter; *i*

KCB Bank Tanzania Limited

- 1.10 "Security" means the security referred to in Paragraph 8 of this letter and/or any security created or to be created by the Borrower or at the request of the Borrower by any third party in favour of the Bank in respect of the Facility and any other security that the Bank may reasonably request from time to time;
- 1.11 "Transaction Documents" means all credentials, correspondence, memoranda and documents of whatsoever nature and howsoever described or defined, in writing or print and availed by the Borrower or on the Borrower's behalf or by the Bank for purposes of assessing, facilitating or securing the Facility or generally in relation to this transaction and includes this Letter and the Security;

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

2. **Availability and Options available within the Facility:**

2.1 Subjects to:

- 2.1.1 The Conditions Precedent referred to in *paragraph 7* of this letter having been complied with, including, without limitation, all relevant consents (if any) having been received by the Borrower for obtaining the Facility and creating the obligations of the Borrower hereunder before the Commitment Expiry Date;
- 2.1.2 No Event of Default has occurred and no event having occurred which, with the giving of notice and/or the lapse of time and/or upon the Bank making the relevant determination, would constitute an Event of Default.

The Bank shall, (subject to the provisions of this Letter) on any Business Day prior to the Commitment Expiry Date place at the disposal of the Borrower the Facility or part thereof.

2.2 **Facility:**

The Facility may be utilised as:

Approved Facility	Approved Amount in USD	Pricing	Negotiation Fee	Expiry/Tenor
Asset Based Finance Loan Facility (New)	277,200.00	USD base lending rate 9% plus 3% i.e. 6% p.a	-	5 Years (with 2 months' grace period within}
TOTAL	277,200.00			

(Hereinafter called "**the facility**")

- 2.2.1 Without prejudice to the provisions of this paragraph, the availability of the Facility is at all times subject to the availability of funds and the compliance by the Bank with any and all restrictions rules and regulations from time to time in

force of the Bank of Tanzania or any other relevant regulatory authority.

- 2.2.2 The Bank shall not be liable for any failure to perform its obligations hereunder caused by reason beyond the Bank's control or resulting directly or indirectly from the action or inaction of the Government, any Government Authority or any strike, boycott, blockade, Act of God, revolution or civil disturbance.

3. **Purpose of the Facility:**

- The Bank has approved a new Asset Based Finance facility of **USD. 277,200.00 (United States Dollars Two Hundred Seventy-Seven Thousand Two Hundred Only)** to facilitate the acquisition of 4 units of tractors and 3 units of trailers.

4. **Repayments and Review:**

4.1 The Facilities are repayable strictly on written demand but subject to the below overriding condition:

4.2 The **Facilities** shall be **utilized/serviced** as set out in **paragraph 2.2**. The monthly instalment for the Facility will be stipulated in the repayment schedule to be provided to the Borrower after booking.

4.3 If any part of the Facilities are denominated in a foreign currency ("the currency of account"), payment under or the repayment of such Facility will be made in such foreign currency. Any money received by the Bank, or by any person appointed by the Bank, in a currency other than "the currency of account", may be converted by the Bank into the currency of account or such other currency as the Bank considers necessary to cover the obligations or liabilities of the Borrower. The Bank shall use the spot rate of exchange for such conversion.

4.4 For the avoidance of doubt, it is understood however that the Bank may on the occurrence of an event of default demand immediate repayment of all the Facilities.

4.5 On demand being made by the Bank:

- 4.5.1 The Facility shall be cancelled; and
- 4.5.2 The Borrower shall pay to the Bank all amounts outstanding on the date of payment together with interest thereon and all other costs charges and expenses due and payable to the Bank hereunder or under the Security.

5. **Interest Rates:**

5.1 The Borrower shall pay interest after or before demand or liquidation of the Borrower at an interest rate set out in **paragraph 2.2**.

5.2 Interest shall accrue from day to day, will be calculated on the basis of the actual number of days elapsed in a 365-days' calendar year, will be debited to the Borrower's current account with the Bank [**monthly/quarterly**] in arrears and will be compounded in the event of not being punctually paid with monthly rests.

5.3 The Bank may from time to time at its sole discretion and within the limits permitted by law revise the applicable rate of interest and will

Initials of the Borrower... & ...

Initials of the Bank's representative:.....

advise the Borrower in writing of any change in the applicable rate. Failure by the Bank to advise the Borrower shall not prejudice the right of the Bank to recover interest charged subsequent to any such change.

- 5.4 The statement of the Bank as to the rate or amount of interest payable pursuant to this paragraph shall in the absence of manifest error be conclusive.
- 5.5 If any sum payable by the Borrower hereunder is not paid on the date on which it is due in accordance with the provisions of this Agreement or the Security or if any sum due to payable by the Borrower under any judgment of any Court in connection herewith is not paid on the date of such judgment, then the Borrower shall pay interest on such outstanding sum from such due date, or as the case may be, the date of such judgment until payment is received in full at a rate which is **3% (for USO facilities) and 10% (for TZS facilities)** above the rate then payable by the Borrower or as may from time to time be decided by the Bank.

6. Commission, Application Fees, Negotiation Fees, and Facility Fees:

Upon acceptance of the offer, the Borrower shall pay to the Bank a non-refundable Facility fees as set out in **paragraph 2.2**.

Other standard commission and bank charges will be charged by the Bank according to its tariff from time to time.

7. Conditions Precedent:

Unless the Bank otherwise agrees, the granting of the Facility is subject to the following conditions precedent:

- 7.1 That the Bank shall have received all of the documents listed in *Annexure I & II* and shall have confirmed that each is in form and substance satisfactory to it;
- 7.2 That the representations and warranties set out in *Clause 9* below are true and correct on and as of each such time as if each was made with respect of the facts and circumstance at such time;
- 7.3 That no event or circumstance which constitutes or which with the giving of notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing or would result from the granting of the Facility.
- 7.4 That all the conditions of sanction of advance under *Clause 12* shall have been performed or undertaken in form and to the satisfaction of the Bank.

8. Security:

- 8.1 The Borrower has created as appear in *Annexure I & II* in favour of the Bank the securities, particulars of which are set out in the said annexure as required by the Banke to secure the Borrower's obligations hereunder.
- 8.2 The security is a continuing security, notwithstanding any intermediate payments or settlement of accounts, or the winding up, liquidation or

dissolution of the Borrower's status, as the case may be or constitution control or ownership for the payment of all sums including interest, fees, commissions, costs, future absolute or contingent for which the Borrower now is or may at any time hereafter be liable to the Bank.

8.3 In the event that there is a conflict between the provisions of this letter and the security, the provisions contained in the security will prevail.

9. Representations and Warranties:

9.1 The Borrower represents and warrants to the Bank as follows:

9.1.1 The execution on behalf of the Borrower of the form of acceptance endorsed on this Letter has been validly authorised and the obligations expressed as being assumed by the Borrower under this Letter constitute valid, legal and binding obligations of the Borrower enforceable against the Borrower in accordance *with* their terms;

9.1.2 Every consent, authorisation or public bodies or authorities required in connection with the execution delivery, validity or enforceability of this Letter or the performance by the Borrower of its obligations hereunder or required to make this Letter admissible in evidence has been obtained and is in full force and effect;

9.1.3 Neither the execution and delivery of the form of acceptance endorsed hereon by the Borrower nor the performance or observance of any of its obligations under this Letter will conflict with, or result in, any breach of any law, statute, regulation, indenture, mortgage, trust deed, agreement or other instrument arrangement, obligation or duty by which the Borrower is bound or cause any limitation on any of the powers whatsoever of the Borrower howsoever imposed on or on the right or ability of the Borrower to exercise such powers to be exceeded;

9.1.4 The audited accounts of the Borrower in respect of the financial year ended will be prepared in accordance with generally accepted accounting principles and practices in Tanzania consistently applied and present fairly and accurately the financial position of the Borrower as at such date and the results and operations of the Borrower for the financial year ended on such date and as at such date.

9.1.5 There has been no material adverse change in the financial position of the Borrower from that set forth in the Borrower's latest held audited accounts.

9.2 The representations and warranties set out above are given and made on and as of the date of this Letter, shall survive the acceptance of this Letter and are continuing representations and warranties which are deemed to be repeated during the continuance of the Facility.

10. Covenants:

10.1 The Borrower undertakes with the Bank that:

10.1.1 The Borrower will from time to time at the request of the Bank provide to the Bank such information, as the Bank shall require including but not limited to copies of the Borrower's audited statements of financial conditions, balance sheets, profit and loss statements and reconciliation's of net worth prepared in

Initials of the Borrower. ----

Initials of the Bank's representative.....

accordance with generally accepted accounting principles in Tanzania consistently applied.

- 10.1.2 All monies due and payable to the Bank under this Letter shall at all times rank in priority to all other present and future secured and unsecured and unsubordinated obligations (including contingent obligations) of the Borrower with the exceptions of such obligations as are mandatory preferred by law and not by contract.
- 10.1.3 The Borrower will not create any Encumbrance or permit any Encumbrance to subsist, arise or be created or extended over its assets to secure any present or future indebtedness of the Borrower without informing the bank prior to that;
- 10.1.4 The Borrower will at all times comply with and observe all covenants duties and obligations contained in this Letter and in the Security.

11. Conditions & Terms of Approval:

Approval Conditions;

The Borrower undertakes to comply with the following approval conditions:

- 11.1 Borrower to execute and submit all legal documents as required by the Bank.
- 11.2 Borrower to signify the acceptance of the facilities by signing at three originals of the facility letter and form of acceptance.
- 11.3 The funds to be wired to supplier of the vehicles after confirmation with the client.
- 11.4 Lien over two FDRs worthy USD 129,000.
- 11.5 Directors unlimited guarantee to be in place.
- 11.6 Joint registration of the vehicles/Specific debentures over the assets to be bought to be in place.
- 11.7 Assignment of all receivables to be executed.
- 11.8 Borrower to pay all legal costs.

12. Events of Default:

12.1 An Event of Default occurs where:

- 12.1.1 The Borrower fails to perform any of its obligations under this Letter or under the Security;
- 12.1.2 Any representation or warranty made by the Borrower pursuant to this Letter or under the Security or any statement, delivered or made pursuant to it is incorrect when made;
- 12.1.3 A material adverse change occurs, in the opinion of the Bank, in the financial condition, results of operations or business of the Borrower;
- 12.1.4 Any action is taken for or with a view to the winding up of the Borrower or the Borrower becomes insolvent or is unable to pay the Borrower's debts or enters into dealings with any of its creditors with a view to avoiding, or in expectation of, insolvency or stops or threatens to stop payments generally or an encumbrancer takes possession or a receiver is appointed of the whole or any material part of the assets of the Borrower;
- 12.1.5 It becomes unlawful or impossible for the Bank to make, maintain or fund the Facility or any of them as contemplated by this Letter or any of the obligations expressed as being assumed by the Borrower under this Letter or the Security

- 15.2 The Borrower will reimburse the Bank on demand on all expenses, including legal expenses incurred by the Bank in connection with the negotiation and preparation of this Letter and with the preparation and registration of the Security, and will reimburse the Bank on demand with all expenses incurred by the Bank in suing for or recovering any sum due to the Bank under this Letter or the Security or otherwise in protecting or enforcing its rights under this Letter or the Security, and the word "expenses" shall be deemed to include any sums which would be allowed to the Bank in taxation as between Advocate and own client.
- 15.3 The Borrower shall pay all stamp duties and other taxes (if any) to which this Letter and the Security may be subject or give rise and will indemnify the Bank against any liabilities with respect to or resulting from any delay or omission on the part of the Borrower in the payment of such duties or taxes. Further, The Borrower hereby authorizes the Bank to debit its account with the Bank, with Capital Gain Tax (CGT) and all legal and registration fees aiming at facilitating transfer of title and perfection of security documents of the property or properties (specifically on landed properties) pledged to the bank into the borrower's name to enable creation and perfection of security in favour of the Bank.
- 15.4 The Borrower will indemnify the Bank against any loss that the Bank may suffer as a result of granting the Facility to the Borrower.

16. Appointment of Attorney:

The Borrower hereby irrevocably appoints the Bank to be the Attorney of the Borrower and in the name and on behalf of the Borrower to execute and do any assurances acts and things which the Borrower ought to execute and do under the covenants and agreements herein contained and generally to use the name of the Borrower in the exercise of all or any of the powers hereby or by law conferred on the Bank.

17. Confidential Information:

- 17.1 The Bank may hold and process, by computer or otherwise, any information obtained about the Borrower as a consequence of this application and/or agreement/Letter of Offer.
- 17.2 The Borrower agrees that the Bank may:
- 17.1.1 Include personal data in its Borrower systems which may be accessed by other companies in the Bank's group for credit assessment, statistical analysis including behaviour and scoring and to identify products and services (including those supplied by third parties) which may be relevant to the Borrower; and
 - 17.1.2 Permit other companies within the Bank's group to use personal data and any other information it holds about the Borrower on the Bank's customer systems to bring to its attention products and services, which may be of interest to the Borrower.
- 17.3 The Borrower further agrees that the Bank may disclose personal data and/or information relating to the Borrower including data and information relating to the Transaction Documents or the assets, business or affairs of the Borrower outside the Bank's group whether

such personal data and/or information is obtained after the Borrower ceases to be the Banks' customer or during the continuance of the Banker-customer relationship or before such relationship was in contemplation:

- 17.3.1 For fraud prevention purposes;
- 17.3.2 To licensed credit reference agencies or any other creditor, if the Borrower is in breach of an agreement;
- 17.3.3 To its external lawyers, auditors and other sub-contractors or persons acting as the Bank's agents;
- 17.3.4 To any person who may assume the Bank's rights under this Letter;
- 17.3.5 If the Bank has a right or duty to disclose or are permitted or compelled to do so by law; and
- 17.3.6 For the purpose of exercising any power, remedy, right, authority, or discretion relevant to this Letter or any Transaction Document following the occurrence of an Event of Default, to any other person or third party as well.

- 17.4 The Borrower also agrees and authorizes the Bank to: -
- a) Make inquiries from any Bank, financial institution or Bank of Tanzania's approved credit reference bureau in Tanzania to confirm any information provided by the Borrower.
 - b) Seek information from any Bank, financial institution or Bank of Tanzania's approved credit reference bureau when making any assessment on the Borrower at any time during the existence of the Borrower's account.
 - c) Disclose to Bank of Tanzania's approved credit reference bureau information relating to the account maintained at the Bank or financial institution."

- 17.5 The Borrower acknowledges and agrees that, notwithstanding the terms of any other agreement between the Borrower and the Bank, a disclosure of information by the Bank in the circumstances contemplated by this paragraph does not violate any duty owed to the Borrower either in common law or pursuant to any agreement between the Bank and the Borrower or in the ordinary course of Banking business and the customs, usage and practice related thereto and further that disclosure as aforesaid may be made without reference to or further authority from the Borrower and without inquiry by the Bank as to the justification for or validity of such disclosure.

18. Assignment:

The Borrower shall not be entitled to assign all or any part of its rights obligations benefits hereunder without the prior consent in writing of the Bank.

19. Notices:

- 19.1 Any notice or other communication required to be given:
- 19.1.1 To the Bank under this Letter shall be addressed and delivered to the Bank at **Head Office** and if sent by post to Post Office Box number **804, Dar es Salaam** and if by Facsimile transmitted to Facsimile Number 022-2115388.
 - 19.1.2 To the Borrower under this Letter shall be addressed and delivered to the Borrower at the following address: **Post Office number 33116, Dar es Salaam, Tanzania;** Or either such case at such other address as may be notified by the relevant party to the other party from time to time for this purpose;

Initials of the Borrower.. ..

Initials of the Bank's representative:.....

19.1.3 Or either such case at such other address as may be notified by the relevant party to the other party from time to time for this purpose;

19.2 Any notice or other communication to be given under this Letter may be given by registered post, telex or facsimile and shall be deemed to have been given if delivered in a prepaid envelope five days from the date of such delivery and in the case of telex or facsimile one Business Day after the date of its transmission.

20. Time Waivers, Remedies Cumulative:

20.1 Time shall be of the essence in respect of the Borrower's obligations under or in respect of this Letter or the Facility.

20.2 No failure or delay by the Bank in exercising any right, power or privilege under this Letter shall impair the same or operate as a waiver for the same nor shall any single or partial or defective exercise of any right, power or privilege preclude any further exercise of the same or the exercise of any other right, power or privilege. The rights and remedies provided in this Letter are cumulative and not exclusive of any rights and remedies provided by law or by the security.

21. Insurance:

22.1 All insurable assets forming part of the Bank's Security shall be comprehensively insured against theft/damage/fire for the full value thereof during the tenure of the Facility by any credible insurance company with the interest of the Bank being duly noted on the policy document.

22.2 Upon the expiry of any insurance cover, the Borrower shall within **72 HOURS** of such expiry deliver to the Bank the relevant renewal advice failing which the Bank shall be at liberty to affect such insurance at the Borrower's cost without further reference to the Borrower and debit the Borrower's account with any amount paid by the Bank.

22. Law Applicable:

This Letter and the contract arising out of the Borrower's acceptance of the Facility on the terms and conditions set out in this Letter shall be governed by and construed in all respects in accordance with the Laws of Tanzania. Nothing in this Paragraph shall limit the right of the Bank to take proceedings against the Borrower in any other Court of competent jurisdiction, nor shall the taking or proceedings at one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

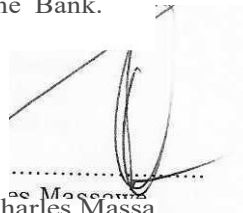
23. Offer Period:

The offer contained in this Letter is available to the Borrower for acceptance as provided in this Letter until the Commitment Expiry Date after which date the offer will lapse unless extended in writing by the Bank.

Yours faithfully,



.....W.....
Harrison Mashauri
BUSINESS BANKER



.....
Charles Massa
BRANCH MANAGER

FORM OF ACCEPTANCE

**MANAGING DIRECTOR
KCB BANK TANZANIA LIMITED
P.O. BOX 804
DAR ES SALAAM**

Dear Sir,

We refer to your letter dated **01st September 2022** (of which the above is a copy) in which you offered to place at our disposal a new Asset Based Finance facility of **USD. 277,200.00 (United States Dollars Two Hundred Seventy-Seven Thousand Two Hundred Only)** in the terms and conditions contained therein and we are pleased to accept such offer on such terms and conditions. We further confirm that we have obtained independent legal advice and opinion on the meaning of the terms and conditions contained therein as well as their full purport effect and tenor.

Signed and Sealed with the common seal of the said}
**KIKARE CONSOLIDATED COMPANY
LIMITED**
and delivered at _____ **in the** presence
of us thisday of 2022,

Company Seal

Signature:	Signature: cf.!
Name: <i>f. (ffl...fti !-Y::JJ..N.toVvf</i>	Name: <i>./..NN.CX-.9Y.J..fl f. lt J qow/</i>
Address: <i>P. o -)\ 33lb</i>	Address: <i>f. o, hox 331/b bYYJ</i>
Qualification: Director	Qualification: Director/ Company Secretary

Third Party Acknowledgments and Undertakings

I/We **ELISIFA AWUNIELI NGOWI and INNOCENT ELISIFA NGOWI** to us the contents of this Agreement and fully acknowledge and understand the contents thereof and in consideration of the Bank agreeing to make the Facility available to the Borrower, we:-

- (i). acknowledge, understand, confirm and agree that this Agreement may be amended, varied, replaced or supplemented from time to time without further notice to or acknowledgment from ourselves and in particular that the rate or rates of interest (including the default rate or rates) referred to in the Commercial Terms and the methods of calculation thereof may change from time to time;
- (ii). agree and undertake to create such charge(s) or mortgage(s) in such form as we are required to create by virtue of the provisions of this Agreement and/or any variation or replacement thereof; and
- (iii). confirm that we have given the undertakings set out in (i) and (ii) above voluntarily and intending to be legally bound without any duress, incentive or undue influence whatsoever.

Date: _____

SIGNED and DELIVERED at _____ by the said **ELISIFA AWUNIELI NGOWI** who is known to me personally/identified to me by _____ the latter being known to me personally in my presence

G V.t ;

this/day of.....\$ 2022

Name: _____ **A : 'i.J**

Signature: _____

Qualification: Notary Public



SIGNED and DELIVERED at _____ by the said **INNOCENT ELISIFA NGOWI** who is known to me personally/identified to me by _____ the latter being known to me personally in my presence

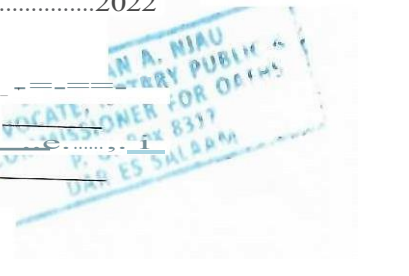
><.....**Jf!** .
Guarah

thisJ.....day of4.¥ 2022

Name: **0** _____ **A**.....

Signature: _____

Qualification: Notary Public



ANNEXURE I**List of Documents required from the Borrower:**

- I. This Facility Agreement and Form of acceptance duly signed by the Borrower in at least four originals.
2. Board resolution by the Borrower authorizing borrowing and issuance of securities to secure the exposure and the procurement of securities.
3. Copies of Fire and allied perils risk insurance policy over assets and properties charged noting the interest of KCBT as the first loss payee.
4. All other documents required under clause 11 as provided under this Agreement.

ANNEXURE II**List of Securities required by the Bank:**

1. Original FDR Receipt with Ref No. MM/21253 amounting to USD 79,000.68 maturing on 09th September, 2022 i.n.o Elisifa Awuniel Ngowi and Original FDR Receipt with Ref No. MM/22237/QWNN amounting to USD 50,000.00 maturing on 24th August, 2023
2. Letter of set-off in respect of FDR receipt with Ref No. MM/21253 amounting to USO 79,000.68 maturing on 09th September, 2022 i.n.o Elisifa Awuniel Ngowi and Original FDR Receipt with Ref No. MM/22237 /QWNN amounting to USO 50,000.00 maturing on 24th August, 2023
3. Lien or Consent in respect of issuance of FDR receipt with reference number MM/21253XHJH" in the name of Elisifa Awuniel Ngowi and FDR USD 50,000.00 with Certificate "MM22237QLINN" in the name of KIKARE Consolidated Company Limited.
4. Deed of Assignment of Receivables
5. Director's Joint and Personal Guarantee and indemnity to be registered to cover unspecified amount.
6. Specific Debenture over the acquired brand new 4 unit of Tractors and 3 units of Flatbed Trailers.

Initials of the Borrower... — — —

Initials of the Bank's representative:.....

Hud Ollce
Harambee Plaza
At, Hassan Mwinyi/Kaunda Drive Junction
PO Box 804, Dar es Salaam, Tanzania
+25522 2160000/1199100
Toll free 0800 780 071 / 0800 750 002
cuslomrcarciliz kcbbankgroup.com

REF: KCBT/RTL/OYS/CQ NO. 2974852

21st December 2022

KIKARE CONSOLIDATED COMPANY LIMITED
P.O. BOX 33U6,
DARESSALAAM - TANZANIA.

Dear Directors,

RE: **BANKING FACILITIES**

We offer to place at your disposal the Facility details whereof are set out herein on the following terms and conditions:

1. Definitions:

In this Letter, the expressions following shall, except where the context otherwise requires, bear the meanings attributed to them respectively:

- 1.1 "Bank" means **KCB Bank Tanzania Limited**, a Banking company incorporated in the United Republic of Tanzania, whose address is Post Office Box No. 804, Dar es Salaam and includes their successors and assigns;
- 1.2 "Base Rate" means the Bank's Lending Rate as reviewed from time to time (**currently at 19% p.a. for Tanzania Shillings facilities and 9% p.a. for USD facilities**). In the event that the Bank ceases to have a Base Rate, means the rate of interest that the Bank shall at its sole discretion from time to time charge within the limits permitted by law;
- 1.3 "Borrower" means **KIKARE CONSOLIDATED COMPANY LIMITED** whose address is **Post Office Box 33116, Dar es Salaam** in the United Republic of Tanzania and shall include its successors and assigns as the case may be;
- 1.4 "Business Day" means a day on which Banks are open for business in Tanzania.
- 1.5 "**Commitment Expiry Date**" means **30 days from the date of this letter**.
- 1.6 "Encumbrance" includes any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, security interest, title retention, preferential rights of set off, Counterclaim, Banker's lien or other encumbrance securing any obligation of any person;
- 1.7 "Event of Default" means any one of the events specified in Paragraph 12 of this letter;
- 1.8 "Facility" means the Facility, details of which are set out in paragraph 2.2. Of this Letter;
- 1.9 "Letter" means this Facility letter;



1. 10 "Security" means the security referred to in Paragraph 8 of this letter and/or any security created or to be created by the Borrower or at the request of the Borrower by any third party in favour of the Bank in respect of the Facility and any other security that the Bank may reasonably request from time to time;
1. 11 "Transaction Documents" means all credentials, correspondence, memoranda and documents of whatsoever nature and howsoever described or defined, in writing or print and availed by the Borrower or on the Borrower's behalf or by the Bank for purposes of assessing, facilitating or securing the Facility or generally in relation to this transaction and includes this Letter and the Security;

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

2. **Availability and Options available within the Facility:**

2.1 Subjects to:

2.1.1 The Conditions Precedent referred to in *paragraph 7* of this letter having been complied with, including, without limitation, all relevant consents (if any) having been received by the Borrower for obtaining the Facility and creating the obligations

of the Borrower hereunder before the Commitment Expiry Date;

2.1.2 No Event of Default has occurred and no event having occurred which, with the giving of notice and/or the lapse of time and/or upon the Bank making the relevant determination, would constitute an Event of Default.

The Bank shall, (subject to the provisions of this Letter) on any Business Day prior to the Commitment Expiry Date place at the disposal of the Borrower the Facility or part thereof.

2.2 **Facility:**

The Facility may be utilised as:

Approved Facility	Approved Amount in USD	Pricing	Negotiation Fee	Expiry/ Tenor
Asset Based Finance Loan Facility (Existing)	263,107.68	USD base lending rate 9% minus 3% i.e. 6% p.a	-	At.gust,2027
Asset Based Finance Loan Facility (New)	815,500.00	USD base lending rate 9% minus 2% i.e. 7% p.a	0.5%	Dec,2027
TOTAL	1,078,607.00			

(Hereinafter called "**the facility**")

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2.2.1 Without prejudice to the provisions of this paragraph, the availability of the Facility is at all times subject to the availability of funds and the compliance by the Bank with any and all restrictions rules and regulations from time to time in force of the Bank of Tanzania or any other relevant regulatory authority.

2.2.2 The Bank shall not be liable for any failure to perform its obligations hereunder caused by reason beyond the Bank's control or resulting directly or indirectly from the action or inaction of the Government, any Government Authority or any strike, boycott, blockade, Act of God, revolution or civil disturbance.

3. Purpose of the Facility:

- The Bank has approved a new Asset Based Finance facility of **USD. 815,500.00 (United States Dollars Eight Hundred Fifteen Thousand Five Hundred Only)** to facilitate the acquisition of 10 units of Trucks and Trailers.

4. Repayments and Review:

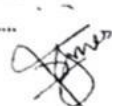
- 4.1 The Facilities are repayable strictly on written demand but subject to the below overriding condition:
 - 4.2 The **Facilities** shall be utilized/serviced as set out in **paragraph 2.2**. The monthly instalment for the Facility will be stipulated in the repayment schedule to be provided to the Borrower after booking.
 - 4.3 If any part of the Facilities are denominated in a foreign currency ("the currency of account"), payment under or the repayment of such Facility will be made in such foreign currency. Any money received by the Bank, or by any person appointed by the Bank, in a currency other than "the currency of account", may be converted by the Bank into the currency of account or such other currency as the Bank considers necessary to cover the obligations or liabilities of the Borrower. The Bank shall use the spot rate of exchange for such conversion.
 - 4.4 For the avoidance of doubt, it is understood however that the Bank may on the occurrence of an event of default demand immediate repayment of all the Facilities.
 - 4.5 On demand being made by the Bank:
 - 4.5.1 The Facility shall be cancelled; and
 - 4.5.2 The Borrower shall pay to the Bank all amounts outstanding on the date of payment together with interest thereon and all other costs charges and expenses due and payable to the Bank hereunder or under the Security.

5. Interest Rates:

- 5.1 The Borrower shall pay interest after or before demand or liquidation of the Borrower at an interest rate set out in **paragraph 2.2**.
- 5.2 Interest shall accrue from day to day, will be calculated on the basis of the actual number of days elapsed in a 365-days' calendar year, will be debited to the Borrower's current account with the Bank **monthly/quarterly** in

Initials of the Borrower.....

Initials of the Bank's representative:.....



interests and will be compounded in the event of not being punctually paid with monthly rests.

- 5.3 The Bank may from time to time at its sole discretion and within the limits permitted by law revise the applicable rate of interest and will advise the Borrower in writing of any change in the applicable rate. Failure by the Bank to advise the Borrower shall not prejudice the right of the Bank to recover interest charged subsequent to any such change.
- 5.4 The statement of the Bank as to the rate or amount of interest payable pursuant to this paragraph shall in the absence of manifest error be conclusive.
- 5.5 If any sum payable by the Borrower hereunder is not paid on the date on which it is due in accordance with the provisions of this Agreement or the Security or if any sum due to payable by the Borrower under any judgment of any Court in connection herewith is not paid on the date of such judgment, then the Borrower shall pay interest on such outstanding sum from such due date, or as the case may be, the date of such judgment until payment is received in full at a rate which is 3% (for USO facilities) and 10% (for TZS facilities) above the rate then payable by the Borrower or as may from time to time be decided by the Bank.

6. **Commission, Application Fees, Negotiation Fees, and Facility Fees:**

Upon acceptance of the offer, the Borrower shall pay to the Bank a non-refundable Facility fees as set out in **paragraph 2.2.**

Other standard commission and bank charges will be charged by the Bank according to its tariff from time to time.

7. **Conditions Precedent:**

Unless the Bank otherwise agrees, the granting of the Facility is subject to the following conditions precedent:

- 7.1 That the Bank shall have received all of the documents listed in *Annexure I & II* and shall have confirmed that each is in form and substance satisfactory to it;
- 7.2 That the representations and warranties set out in *Clause 9* below are true and correct on and as of each such time as if each was made with respect of the facts and circumstance at such time;
- 7.3 That no event or circumstance which constitutes or which with the giving of notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing or would result from the granting of the Facility.
- 7.4 That all the conditions of sanction of advance under *Clause 12* shall have been performed or undertaken in form and to the satisfaction of the Bank.

Initials of the Borrower:

Initials of the Bank:



8. **Security:**

- 8.1 The Borrower has created as appear in **Annexure I & II** in favour of the Bank the securities, particulars of which are set out in the said annexure as required by the Bank to secure the Borrower's obligations hereunder.
- 8.2 The security is a continuing security, notwithstanding any intermediate payments or settlement of accounts, or the winding up, liquidation or dissolution of the Borrower's status, as the case may be or constitution control or ownership for the payment of all sums including interest, fees, commissions, costs, future absolute or contingent for which the Borrower now is or may at any time hereafter be liable to the Bank.
- 8.3 In the event that there is a conflict between the provisions of this letter and the security, the provisions contained in the security will prevail.

9. **Representations and Warranties:**

- 9.1 The Borrower represents and warrants to the Bank as follows:
- 9.1.1 The execution on behalf of the Borrower of the form of acceptance endorsed on this Letter has been validly authorised and the obligations expressed as being assumed by the Borrower under this Letter constitute valid, legal and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms;
- 9.1.2 Every consent, authorisation or public bodies or authorities required in connection with the execution delivery, validity or enforceability of this Letter or the performance by the Borrower of its obligations hereunder or required to make this Letter admissible in evidence has been obtained and is in full force and effect;
- 9.1.3 Neither the execution and delivery of the form of acceptance endorsed hereon by the Borrower nor the performance or observance of any of its obligations under this Letter will conflict with, or result in, any breach of any law, statute, regulation, indenture, mortgage, trust deed, agreement or other instrument arrangement, obligation or duty by which the Borrower is bound or cause any limitation on any of the powers whatsoever of the Borrower howsoever imposed on or on the right or ability of the Borrower to exercise such powers to be exceeded;
- 9.1.4 The audited accounts of the Borrower in respect of the financial year ended will be prepared in accordance with generally accepted accounting principles and practices in Tanzania consistently applied and present fairly and accurately the financial position of the Borrower as at such date and the results and operations of the Borrower for the financial year ended on such date and as at such date.
- 9.1.5 There has been no material adverse change in the financial position of the Borrower from that set forth in the Borrower's latest held audited accounts.
- 9.2 The representations and warranties set out above are given and made on and as of the date of this Letter, shall survive the acceptance of this Letter and are continuing representations and warranties which are deemed to be repealed during the continuance of the Facility.

Initials of the Borrower: _____; _____: <<
 Initials of the Bank's representative: _____: <<

10. Covenants:

10.1 The Borrower undertakes with the Bank that:

- 10.1.1 The Borrower will from time to time at the request of the Bank provide to the Bank such information, as the Bank shall require including but not limited to copies of the Borrower's audited statements of financial conditions, balance sheets, profit and loss statements and reconciliations of net worth prepared in accordance with generally accepted accounting principles in Tanzania consistently applied.
- 10.1.2 All monies due and payable to the Bank under this Letter shall at all times rank in priority to all other present and future secured and unsecured and unsubordinated obligations (including contingent obligations) of the Borrower with the exceptions of such obligations as are mandatory preferred by law and not by contract.
- 10.1.3 The Borrower will not create any Encumbrance or permit any Encumbrance to subsist, arise or be created or extended over its assets to secure any present or future indebtedness of the Borrower without informing the bank prior to that;
- 10.1.4 The Borrower will at all times comply with and observe all covenants duties and obligations contained in this Letter and in the Security.

11. Conditions & Terms of Approval:

Approval Conditions;

The Borrower undertakes to comply with the following approval conditions:

- 11.1 Borrower to execute and submit all legal documents as required by the Bank.
- 11.2 Borrower to signify the acceptance of the facilities by signing at three originals of the facility letter and form of acceptance.
- 11.3 The funds to be wired to supplier of the vehicles after confirmation with the client.
- 11.4 Lien over FORs worthy USO 62,000.68.
- 11.5 Lien over FDR worthy USO 50,000.00.
- 11.6 Directors unlimited guarantee to be in place.
- 11.7 Joint registration of the vehicles/Specific debentures over the assets to be bought to be in place.
- 11.8 Assignment of all receivables to be executed.
- 11.9 Borrower to pay all legal costs.
- 11.10 Payment of Land rent and Insurance of pledged securities to cover facility.
- 11.11 Payment direct to suppliers as per provided invoices.
- 11.12 Joint registration of motor vehicle cards pledged as security to cover the facility.
- 11.13 The Borrower shall fix trucking device on motor vehicles pledged as the securities.

12. Events of Default:

12.1 An Event of Default occurs where:

- 12.1.1 The Borrower fails to perform any of its obligations under this Letter or under the Security;

Initials of the Borrower.....

Initials of the Bank's Representative.....

- 12.1.2 Any presentation or warranty made by the Borrower pursuant to this Letter or under the Security or any statement, delivered or made pursuant to it is incorrect when made;
- 12.1.3 material adverse change occurs, in the opinion of the Bank, in the financial condition, results of operations or business of the Borrower;
- 12.1.4 Any action is taken for or with a view to the winding up of the Borrower or the Borrower becomes insolvent or is unable to pay the Borrower's debts or enters into dealings with any of its creditors with a view to avoiding, or in expectation of, insolvency or stops or threatens to stop payments generally or an encumbrancer takes possession or a receiver is appointed of the whole or any material part of the assets of the Borrower;
- 12.1.5 It becomes unlawful or impossible for the Bank to make, maintain or fund the Facility or any of them as contemplated by this Letter or any of the obligations expressed as being assumed by the Borrower under this Letter or the Security ceases to be valid, legal and binding and enforceable against the Borrower in accordance with their respective terms;
- 12.1.6 If an Event of Default occurs and at any time thereafter if such event is continuing, the Bank may, by notice to the Borrower;
- 12.1.7 Declare the obligations of the Bank hereunder to be terminated whereupon such obligations shall terminate; and /or
- 12.1.8 Declare that the security has become enforceable where upon all amounts payable by the Borrower in respect of the Facility there under and under the security shall become immediately due and payable, all without diligence, presentment, demand for payment. Protest or notices of any kind, all of which are hereby expressly waived by the Borrower and the provisions of paragraph 4.3 shall apply.

13. **Payments:**

- 13.1 All payments to be made under this Letter shall be made in the currency in which they were advanced by the Bank in immediately available funds during normal business hours. If any sum falls due under this Letter on a day, which is not a business day, payment shall be made on the next succeeding Business Day.
- 13.2 All payments to be made by the Borrower under this Letter shall be made through the current account of the Borrower with the Bank or to such account of the Bank as shall be notified in writing by the Bank to the Borrower from time to time
- 13.3 All sums payable by the Borrower under this Letter shall be paid in full without any set-off or counterclaim and (save in so far as required by the law to the contrary) free and clear of and without any deduction excluding withholding tax. If the Borrower is at any time required by law to make any deductions from any payment to the Bank, then the Borrower shall immediately pay to the Bank such additional amounts as will result in the Bank receiving the full amount it would have received had not such deduction been required except as mentioned hereinbefore and will simultaneously, provide the Bank with a Certificate of deduction in respect of the amount deducted or withheld together with evidence satisfactory to the Bank that the amount so deducted has been paid over to the relevant authorities when and as due.

Initials of the Borrower _____,

Initials of the Bank's representative _____

14. **Set-Off:**

The Bank may at any time and without notice to the Borrower and notwithstanding any settlement of account combine or consolidate all or any of the Borrower's accounts with the Bank and set off or transfer any sum standing to the credit of any one or more of those accounts in or towards satisfaction of any moneys obligations or liabilities of the Borrower to the Bank whether these liabilities be present, future, actual, contingent, primary, collateral, joint or several and the Borrower expressly waives any rights of set off that it may have, so far as is permitted by law, in respect of any claim which it may now or at any time hereafter have against the Bank.

15. **Expenses and Indemnity:**

15.1 The Borrower will pay to the Bank on demand all reasonable costs charges and expenses incurred on the accounts of the Borrower.

15.2 The Borrower will reimburse the Bank on demand on all expenses, including legal expenses incurred by the Bank in connection with the negotiation and preparation of this Letter and with the preparation and registration of the Security, and will reimburse the Bank on demand with all expenses incurred by the Bank in suing for or recovering any sum due to the Bank under this Letter or the Security or otherwise in protecting or enforcing its rights under this Letter or the Security, and the word "expenses" shall be deemed to include any sums which would be allowed to the Bank in taxation as between Advocate and own client.

15.3 The Borrower shall pay all stamp duties and other taxes (if any) to which this Letter and the Security may be subject or give rise and will indemnify the Bank against any liabilities with respect to or resulting from any delay or omission on the part of the Borrower in the payment of such duties or taxes. Further, The Borrower hereby authorizes the Bank to debit its account with the Bank, with Capital Gain Tax (CGT) and all legal and registration fees aiming at facilitating transfer of title and perfection of security documents of the property or properties (specifically on landed properties) pledged to the bank into the borrower's name to enable creation and perfection of security in favour of the Bank.

15.4 The Borrower will indemnify the Bank against any loss that the Bank may suffer as a result of granting the Facility to the Borrower.

16. **Appointment of Attorney:**

The Borrower hereby irrevocably appoints the Bank to be the Attorney of the Borrower and in the name and on behalf of the Borrower to execute and do any assurances acts and things which the Borrower ought to execute and do under the covenants and agreements herein contained and generally to use the name of the Borrower in the exercise of all or any of the powers hereby or by law conferred on the Bank.

17. **Confidential Information:**

17.1 The Bank may hold and process, by computer or otherwise, any information obtained about the Borrowers as a consequence of this application and/or agreement/ Letter of Offer.

17.2 The Borrower agrees that the Bank may:

In witness whereof, the Bank, on this _____ day of _____, 20____

In witness whereof, the Bank's Representative, _____

- 17.1.1 Include personal data in its Borrower systems which may be accessed by other companies in the Bank's group for credit assessment, statistical analysis including behaviour and scoring and to identify products and services (including those supplied by third parties) which may be relevant to the Borrower; and
- 17.1.2 Permit other companies within the Bank's group to use personal data and any other information it holds about the Borrower on the Bank's customer systems to bring to its attention products and services, which may be of interest to the Borrower.
- 17.3 The Borrower further agrees that the Bank may disclose personal data and/or information relating to the Borrower including data and information relating to the Transaction Documents or the assets, business or affairs of the Borrower outside the Bank's group whether such personal data and/or information is obtained after the Borrower ceases to be the Bank's customer or during the continuance of the Banker-customer relationship or before such relationship was in contemplation:
- 17.3.1 For fraud prevention purposes;
- 17.3.2 To licensed credit reference agencies or any other creditor, if the Borrower is in breach of an agreement;
- 17.3.3 To its external lawyers, auditors and other sub-contractors or persons acting as the Bank's agents;
- 17.3.4 To any person who may assume the Bank's rights under this Letter;
- 17.3.5 If the Bank has a right or duty to disclose or is permitted or compelled to do so by law; and
- 17.3.6 For the purpose of exercising any power, remedy, right, authority, or discretion relevant to this Letter or any Transaction Document following the occurrence of an Event of Default, to any other person or third party as well.
- 17.4 The Borrower also agrees and authorizes the Bank to: -
- a) Make inquiries from any Bank, financial institution or Bank of Tanzania's approved credit reference bureau in Tanzania to confirm any information provided by the Borrower.
 - b) Seek information from any Bank, financial institution or Bank of Tanzania's approved credit reference bureau when making any assessment on the Borrower at any time during the existence of the Borrower's account.
 - c) Disclose to Bank of Tanzania's approved credit reference bureau information relating to the account maintained at the Bank or financial institution.
- 17.S The Borrower acknowledges and agrees that, notwithstanding the terms of any other agreement between the Borrower and the Bank, a disclosure of information by the Bank in the circumstances contemplated by this paragraph does not violate any duty owed to the Borrower either in common law or pursuant to any agreement between the Bank and the Borrower or in the ordinary course of Banking business and the customs, usage and practice related thereto and further that disclosure as aforesaid may be made without reference to or further authority from the Borrower and without inquiry by the Bank as to the justification for or validity of such disclosure.

Initials of the Borrower-----

Initials of the Bank's representative: -



FORM OF ACCEPTANCE

**MANAGING DIRECTOR
KCB BANK TANZANIA LIMITED
P.O. BOX 804
DAR ES SALAAM**

Dear Sir,

We refer to your letter dated **21st December, 2022** (of which the above is a copy) in which you offered to place at our disposal a new Asset Based Finance facility of **USO. 1,078,607.00 (United States Dollars One Million Seventy Eight Thousand Six Hundred Seven Only)** in the terms and conditions contained therein and we are pleased to accept such offer on such terms and conditions. We further confirm that we have obtained independent legal advice and opinion on the meaning of the terms and conditions contained therein as well as their full purport effect and tenor.

Signed and Sealed with the common seal of the said }
KIKARE CONSOLIDATED COMPANY LIMITED
and delivered at _____ in the presence
of us this¹ ... day of..... 2022,

**Company
Seal**

Signature:
Name: *t./... (f!..f.}t !?:::/! svl*
Address: */J.:o 3.}f}.6..*
Qualification: Director

Signature:
Name: . 5:B.'1.....C11 ...
Address **K.J .¹-f.'M.....**
**Qualification: Director/Company
Secretary**

Third Party Acknowledgments and Undertakings

I/We **ELISIFA AWUNIELI NGOWI** and **INNOCENT ELISIFA NGOWI** to us the contents of this Agreement and fully acknowledge and understand the contents thereof and in consideration of the Bank agreeing to make the Facility available to the Borrower, we:-

iii. acknowledge, understand, confirm and agree that this Agreement may be amended, varied, replaced or supplemented from time to time without further notice to or acknowledgment from ourselves and in particular that the rate or rates of interest (including the default rate or rates) referred to in the Commercial Terms and the methods of calculation thereof may change from time to time;

(iii. agree and undertake to create such charge(s) or mortgage(s) in such form as we are required to create by virtue of the provisions of this Agreement and/or any variation or replacement thereof; and

(iii). confirm that we have given the undertakings set out in (i) and (ii) above voluntarily and intending to be legally bound without any duress, incentive or undue influence whatsoever.

Date: 21/11/2022 :Z.022

SIGNED and DELIVERED at Makubi by the said **ELISIFA AWUNIELI NGOWI** who is known to me personally/identified to me by the latter being known to me personally in my presence this 21st day of November 2022

Guarantor

Name: Elisifa Awunieli Ngowi
Signature: [Signature]
Qualification: Notary Public
Qualification: Notary Public



SIGNED and DELIVERED at Makubi by the said **INNOCENT ELISIFA NGOWI** who is known to me personally/identified to me by the latter being known to me personally in my presence this 21st day of November 2022

Guarantor

Name: Innocent Elisifa Ngowi
Signature: [Signature]
Qualification: Notary Public
Qualification: Notary Public



Initials of the Bank's representative: _____

ANNEXURE I**List of Documents required from the Borrower:**

1. This Facility Agreement and Form of acceptance duly signed by the Borrower in at least four originals.
2. Board resolution by the Borrower authorizing borrowing and issuance of securities to secure the exposure and the procurement of securities.
3. Copies of Fire and allied perils risk insurance policy over assets and properties charged noting the interest of KCBT as the first loss payee.
4. All other documents required under clause 11 as provided under this Agreement.

ANNEXURE II**List of Securities Held by the Bank:**

1. Letter of scotff in respect of FDR receipt with Ref No. MM/21254/VGHDI amounting to USD 50,000.00 maturing on 19th Decembcr,2022
2. Lien or Consent in respect of issuance of FDR USD 50,000.00 with Certificate "MM22237QLINN" in the name of KIKARE Consolidated Company Limited.
3. Deed of Assignment of Receivables
4. Director's Joint and Personal Guarantee and indemnity to be registered to cover unspecified amount.
5. Specific Debenture over the acquired brand new 4 unit of Tractors and 3 units of Flatbed Trailers.

ANNEXURE III**List of Securities Required by the Bank:**

6. First rank Legal Mortgage over Plot No.1584,L.O No. 44974,Block 'F', CT No.44208 LR Moshi located at Himo Urban Area in Moshi District in the name of **Elisifa Awunieli Ngowi** to be registered for unspecified amount to cover the total facilities.
7. First rank Legal Mortgage over Plot No.1585,L.O No.449375, Block 'F', CT No.44209 LR Moshi located at Himo Urban Arca in Moshi District in the name of **Ellsifa Awunieli Ngowi** to be registered for unspecified amount to cover the total facilities.
8. First rank Legal Mortgage over Plot No.1586,L.O No. 449376,Block 'F', CT No.44217 LR Moshi located at Hirno Urban Area in Moshi District in the name of **Elisifa Awunieli Ngowi** to be registered for unspecified amount to cover the total facilities.
9. First rank Legal Mortgage over Plot No.2,L.O No.640623,Block 'F', CT No.59877 LR Moshi located at Kibaoni Arca in Moshi District in the name of **Elisifa Awunieli Ngowi** to be registered for unspecified amount to cover the total facilities.
10. First rank Legal Mortgage over Plot No.7,Block 'F', CT No.DOM1000141 located at Iyumbu Estate Area in Dodoma City in the name of **Elisifa Awun.ieli Ngowi** to be registered for unspecified amount to cover the total facilities.
11. Specific Debenture over 10 Trucks and Trailers to be purchased to be registered to cover **USD 2,157,214**
12. Original FOR Receipt with Ref No. MM/22237 /QWNN amounting to USO 62,000.68 i.n.o Elisifa Awunicl Ngowi maturing on 19th December, 2023
13. Letter of scotff in respect of FDR receipt with Ref No. MM/21254/VGIIOI amounting to USD 62,000.68 maturing on 19th Dccembcr,2023

Initials of the Borrower.....

Initials of the Bank's representative:.....



18. Assignment:

The Borrower shall not be entitled to assign all or any part of its rights obligations benefits hereunder without the prior consent in writing of the Bank.

19. Notices:

19.1 Any notice or other communication required to be given:

19.1.1 To the Bank under this Letter shall be addressed and delivered to the Bank at **Head Office** and if sent by post to Post Office Box number **804, Dar es Salaam** and if by Facsimile transmitted to Facsimile Number 022-2115388.

19.1.2 To the Borrower under this Letter shall be addressed and delivered to the Borrower at the following address: **Post Office number 33116, Dares Salaam, Tanzania**; Or either such case at such other address as may be notified by the relevant party to the other party from time to time for this purpose;

19.1.3 Or either such case at such other address as may be notified by the relevant party to the other party from time to time for this purpose;

19.2 Any notice or other communication to be given under this Letter may be given by registered post, telex or facsimile and shall be deemed to have been given if delivered in a prepaid envelope five days from the date of such delivery and in the case of telex or facsimile one Business Day after the date of its transmission.

20. Time Waivers, Remedies Cumulative:

20.1 Time shall be of the essence in respect of the Borrower's obligations under or in respect of this Letter or the Facility.

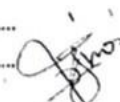
20.2 No failure or delay by the Bank in exercising any right, power or privilege under this Letter shall impair the same or operate as a waiver for the same nor shall any **single** or partial or defective exercise of any right, power or privilege preclude any further exercise of the same or the exercise of any other right, power or privilege. The rights and remedies provided in this Letter are cumulative and not exclusive of any rights and remedies provided by law or by the security.

21. Insurance:

22.1 All insurable assets forming part of the Bank's Security shall be comprehensively insured against theft/damage/fire for the full value thereof during the tenure of the Facility by any credible insurance company with the interest of the Bank being duly noted on the policy document.

22.2 Upon the expiry of any insurance cover, the Borrower shall within **72 HOURS** of such expiry deliver to the Bank the relevant renewal advice failing which the Bank shall be at liberty to affect such insurance at the Borrower's cost without further reference to the Borrower and debit the Borrower's account with any amount paid by the Bank.

Initials of the Borrower.....
Initials of the Bank's representative:.....



22. Law Applicable:

This Letter and the contract arising out of the Borrower's acceptance of the Facility on the terms and conditions set out in this Letter shall be governed by and construed in all respects in accordance with the Laws of Tanzania. Nothing in this Paragraph shall limit the right of the Bank to take proceedings against the Borrower in any other Court of competent jurisdiction, nor shall the taking or proceedings at one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

23. Offer Period:

The offer contained in this Letter is available to the Borrower for acceptance as provided in this Letter until the Commitment Expiry Date after which date the offer will lapse unless extended in writing by the Bank.

Yours faithfully,

Fredrick Lyimo
RMSME



Mosses Kisaka
Head SME & Mortgage



C.1

TANZANIA

aBRELA

Certificate of Incorporation of a Company

Section 15

No: 155290269

I HEREBY CERTIFY THAT

KIKARE CONSOLIDATED COMPANY LIMITED

is this day incorporated under the Companies Act, 2002
and that the Company is Limited

GIVEN under my hand at Dar es Salaam this **28th** day of
FEBRUARY TWO mousAND AND TWENTY TWO.



A handwritten signature in black ink, appearing to read 'H. K. M.' or similar.

ASST. REGISTRAR OF COMPANIES

CTIN'. 509989

TANZANIA REVENUE AUTHORITY

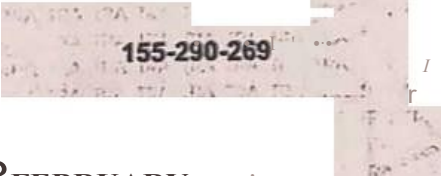
CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

<ISSUED UNDER SECTION 2_3 OF THE TAX ADMINISTRATION ACT 2015>

THIS IS TO CERTIFY THAT

SEMOT TRANSPORT ENTERPRISES COMPANY LIMITED

HAS BEEN REGISTERED WITH THE TANZANIA-REVENUE AUTHORITY
AND ASSIGNED THE TAXPAYER IDENTIFICATION NUMBER



WITH EFFECT FROM: **28 FEBRUARY**

TFA LOCATION: **JLALA** TAX-OFFICE: **UPANGA**

PHYSICAL LOCATION: **PLOT No. 17**

STREET AREA: **OSAMA ROAD**

OFFICIAL SEAL

HERBERT M.T KABVEMA.A
COMMISSIONER FOR DOMESTIC REVENUE



TANZANIA REVENUE AUTHORITY

Certificate of Registration for Value Added Tax {VAT}

(ISSUED UNDER SECTION 32(4) OF THE VALUE ADDED TAX ACT NO. 10 OF 2014)

THIS IS TO CERTIFY THAT

KIKARE CONSOLIDATED COMPANY LIMITED

WHOSE TAXPAYER IDENTIFICATION NUMBER (TIN) IS

_____ 155-290-269 _____

HAS BEEN REGISTERED FOR VALUE ADDED TAX (VAT)

AND ASSIGNED VAT REGISTRATION NUMBER (VRN)

_____ 40-050506-L _____

OBAMA ROAD

FOR BUSINESS LOCATED AT _____ **DAR ES SALAAM**

22 DECEMBER 2022

WITH EFFECT FROM

GIVEN UNDER MY HAND

TIDS 22nd DAY OF DECEMBER 2022

HERBERT M.T KABYEMELA

COMMISSIONER FOR VAT

NOTE THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF

FOR NATIONAL DEVELOPMENT

INTERNATIONAL DEVELOPMENT

TANZANIA REVENUE AUTHORITY

ISO 9001: 2015 CERTIFIED

TAX CLEARANCE CERTIFICATE

(Issued Under Regulation 103 of Tax Administration (General) Regulations, 2016)

Licensing Authority; TIN: 101-317-587

TANZANIA REVENUE AUTHORITY

EDWARD SOKOINE DRIVE

35052

DAR ES SALAAM

Tax Certificate Number:

121-0189-7953

Issuing Office: Ilala

Telephone: 022-2863190

Date of Issue: 19 January 2024

Expiry Date: 31 December 2024

Taxpayer Name	KIKARE CONSOLIDATED COMPANY LIMITED	
Trading Name		
Taxpayer Identification Number	155-290-269	Vat Registration Number 140-050506-L
Company Registration Number		

Business Premises located at :
REGION : DAR ES SALAAM,
DISTRICT : ILALA,
STREET: **OBAMA ROAD**

This is to certify that the above registered Taxpayer has complied with tax laws and has been granted Tax Clearance Certificate with respect to the following business(es):

1	Urban and suburban passenger land transport
2	Other passenger land transport
3	Freight rail transport
4	TRANSPORTATION

kkvl

Alfred T. Mregi

COMMISSIONER FOR DOMESTIC REVENUE

19 January 2024

;

[!].

Disclaimer :

1. This certificate is issued free of charge
2. This certificate should be tendered in its original form and it is valid only if it is embossed with OR Cod
3. This Tax Clearance Certificate shall not preclude the Commissioner General from demanding and



THE UNITED REPUBLIC OF TANZANIA

BUSINESS LICENCE

8 L NO BL01396902023•2400015J02

The Business Licensing Act (Act No. 25 of 1972)

Issuing Office: DAR ES SALAM CITY COUNCIL

Tax Identification No: 155-290-269

Licensee: KIKARE CONSOLIDATED COMPANY LIMITED TRANSPORT(LIAISON OFFICE)

for the Business of

Business Location

Region: Dar es Salaam

Ward: Upanga Mashanki

Street: K1bas1la

Principal/Branch: PRINCIPAL

Amount of Fee Paid: 200,000.00

Date of Issue: 2023-09-05

Expiry Date: 2024-09-04



This is a digital copy and does not require a signature of authority

NOTE- This license must be kept in a conspicuous position at the place of business. Any change in the particulars of a registered business must be notified to the license issuer.

THE COMPANIES ACT, 2002

(CAP 212)

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

KIKARE CONSOLIDATED

COMPANY LIMITED

Incorporated at _____ this ____ day of _____, 2022

DRAWN BY: -

Deogratias J. Lyimo & Company Advocates,
Mindu Street, Upanga Area,
Plot No. 577 / Block No. 40,
Near Richmond Tower,
P. O. Box 4262,

Mobile: +255 (0) 754 / 715 270 522,

Email: diladvocates@yahoo.com,

mrnodeo21@gmail.com,

Dar es Salaam.

THE COMPANIES ACT, 2002 (CAP 212)
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
KIKARE CONSOLIDATED COMPANY LIMITED

1. The name of this Company is **SEMDT TRANSPORT ENTERPRISES COMPANY LIMITED.**
2. The registered office of this Company will be situated in the United Republic of Tanzania.
3. The objects for which this Company is established are:
 - a.* To provide all kinds of transportation services and its auxiliary logistics services.
 - b.* To carry on the business of transporters, public carriers and carriers of goods, passengers, merchandise, commodities and luggage of all kinds and descriptions in any part of Tanzania and / or abroad, on land, water, rail or road and air or by any means of conveyance whatsoever, in its own name or as an agent.
 - c.* To establish, organize, manage, run, charter, conduct, contract, develop, handle, own, operate and to do business as fleet carriers, transporters, in all its branches on land, air and water, for transporting goods, articles, or things on *all* routes and lines on National and International level subject to law in force through all sorts of carries like trucks, lorries, trawlers, dumpers, coaches, tankers, tractors, haulers, jeeps, trailers, motor buses, omnibuses, motor taxis, railways, tramways, aircrafts, hovercrafts, ships, vessels, boats, barges and so on whether propelled by petrol, diesel, electricity, steam oil, atomic power or any other form of power.
 - d.* To provide all kinds of logistics consultancy services.
- To carry on the business of buying, selling, transporting, storing, distributing, handling and dealing in any other goods or food products.

- f.* To carry on the business of storing, warehousing, transiting and handling of all kinds of cargo, whether containerized or not, from any port station to any container freight station or to any inland container depot and freight carriers, transportation of goods, animals or passengers from place to place either by land or by air, sea or partly by sea and partly by land or air, whether by means of motor vehicles and/or aeroplanes or other means of transport, to establish and to construct and operate container freight stations, inland container depots, and allied activities and operate railway sidings and to own, lease, use container and deploy the containers in the business of international freight forwarding, by means of road, sea, transport and multimodal transport, and to carry on the business of clearing & shipping agent hirers, fleet owners of trucks, trailers, cranes, bulldozers and all types of earth moving equipment and machines.
- g.* To carry on the business of buying, selling, importing, exporting, trading and otherwise dealing in all types of goods, merchandise and materials including but not limited to machinery components, automobile parts and accessories including tyres.
- h.* To undertake and carry on the business of courier services for carrying packages, parcels and other items; loading and unloading forwarding and clearing agents, warehousemen, packers and carriers for and on behalf of owners of goods, luggage, parcels, materials, articles, commodities, live-stock & other movables of all kinds and descriptions.
- i.* To acquire and carry on in such manner and in such places or places, either in Tanzania or elsewhere, as the Company may think requisite or proper any other business, whether in transport and logistics industry or otherwise, which may seem to the Company capable of being conveniently carried on in connection with any of the above specified objects, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights;
- J.* To purchase, take on lease, hire or otherwise acquire in Tanzania or elsewhere any movable or immovable properties or any rights or interest therein, which the Company may think necessary or convenient for effecting any of its objects, and in particular any lands, houses, patents, trademarks, trade names, copyrights, licenses, stock, material or property of any description, and to work, use, maintain and improve, sell, let, surrender, mortgage, charge, disposal of or otherwise deal with the same or any other property of the Company, including in respect of any business rights belonging to the

Company, the grant of licenses or authorities to any person, corporation or company to work the same;

- k. To develop, improve and utilize any land acquired by the Company, or in which the Company is interested, and lay out and prepare the same for building purpose, construct, alter, pull down, decorate, maintain, fit up and improve buildings, roads and conveniences, and to plant, pave, drain, maintain, let on building lease or building agreement any such land, and advance money to, and enter into contracts and arrangements of all kinds with builders or tenants of and other interested in any such land;
- L. To acquire, hold, trade or deal in shares, stocks, debentures stocks, bonds, obligations and securities issued or guaranteed by any Company constituted or carrying on business in Tanzania or elsewhere, and any debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, whether in Tanzania or abroad;
- m. To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, and convert any such stocks, shares or securities as mentioned in the last preceding paragraph;
- n. To apply for, purchase or otherwise acquire and protect and renew in any part of the world, any patents, patent rights, trade and service marks, designs, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired, and to expend money in experimenting upon, testing or improving any such patents, inventions or rights;
- o. To purchase or otherwise acquire or undertake the whole or any part of the business, assets and liabilities, including shares, stocks, bonds, debentures, mortgages, deeds of bond and security or other obligations, or any, or either of them, of any other Company, corporation or person carrying on any business which the Company is authorized to carry on. or possessed of any property or right suitable for the purposes of the Company, and acquire the business of any company or corporation, if deemed expedient, by amalgamation with such company or corporation instead of by purchase in the ordinary way,

- p.* To engage in any business or transaction within the limits of the Company's Objects, in conjunction with any other person, corporation or company, and to hold shares, stocks or bonds in any such company or corporation;
- q.* To accept payment for the business *or* undertaking of the Company or any part thereof, or for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in shares or bonds of any company or corporation, with or without deferred or preferred rights in respect of dividends or payment of capital or otherwise, or by means of a mortgage, or by debentures, debenture stock or mortgage debentures or bonds of any company or corporation and generally on such terms as the Company shall determine;
- r.* To promote, form, subsidize and establish any companies or corporations;
- s.* To invest any moneys of the Company and to hold, sell or otherwise deal with such investments and to receive moneys for investment;
- t.* To borrow, raise or secure the payment of the money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, deeds of bond and security, bonds or mortgages charged upon all or any of the property of the Company (both present and future). including its uncalled capital for the time being;
- u.* To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, debentures and other negotiable or transferable instruments;
- v.* To distribute any of the property of the Company amongst the Members in specie or otherwise, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) or the time being required by law;
- w.* To do *all* or any of the above things in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and either by or through trustees, agents or otherwise and either alone or in conjunction with others;
- x.* To do all such other things as are incidental or conducive or are in the opinion of the Company incidental or conducive to the attainment of the above objects or any of them or which may be conveniently earned on and done in connection therewith, or which may be calculated directly or indirectly to enhance the value of, or render profitable, the business or property of the Company;

Furthermore expressly declared that the intention is that the objects set forth in each or the foregoing paragraphs or this clause shall be construed in the most liberal way and shall in no way be limited or restricted by reference

to any other paragraph or by any inference drawn from the terms or any other paragraph

4. The liability of the members is limited.
5. The authorized share capital of the Company at the date of registration of this Memorandum of Association is **Taha. 25,000,000.00 (Tanzania AbUUop Twenty - Five Killion) only divided into 100 (One Hundred) shares of Taha. 250,000.00 (Tanzaoia Sb..UJinga Two BUDDred Fifty Tbou.aand) each.** The Company shall have the power to increase or decrease the capital or the shares. The Company may from time to time, assign shares to several classes or alter or modify any preferential, qualified, special or deferred rights, privileges and conditions.

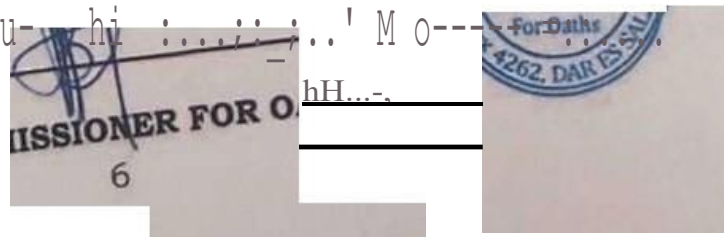
We, the several persons whose names addresses and descriptions are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectively agree to take the number(s) of shares in the capital of the Company set opposite our respective names.

NAME	1 NAMES, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE OF SUBSCRIBERS
ELISIFA NGOWJ P. O. Box 33116, Dar es Salaam.	1 BLISIFA <u>AWONIELI</u> NGOWJ, P. O. Box 33116, Dar es Salaam.	60	- r..
INNOCENT NGOWJ P. O. Box 33116, Dar es Salaam.	INNOCENT ELISIFA NGOWJ, P. O. Box 33116, Dar es Salaam.	20	fr

Dated at Dar es Salaam this 10th day of December, 2022.

Witness to the above Signature

NAME = Evuhi M...
 ADDRESS = ...
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DBSIG11ATI011
COMMJ880



THE COMPANIES ACT, 2002 (CAP 212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

KIKARE CONSOLIDATED COMPANY LIMITED

1. In these Articles and Regulations, unless inconsistent with the subject or context:-

"The Act" means the Companies Act, 2002 (Cap 212) of the Laws of Tanzania.

When any provision of the Act is referred to, the reference is that provision as modified by any law for the time being in force.

Unless the context otherwise requires, the expression defined in the Act or any statutory modification thereof in force at the date at which these Regulations become binding on the company, shall have the meanings so defined.

"The Board" means the Board of Directors for the time being of the Company.

"Dividend" includes bonus.

"Member" means the registered holder of a share or shares in the Company.

"The Seal" means the Common Seal of the Company.

"Secretary" means any person appointed to perform the duties of the Secretary of the Company.

"Ordinary Resolution" means resolution that has been passed by simple majority, i.e. 51% voting rights.

"Special Resolution" means resolution that has been passed by not less than three-fourths of voting rights.

Any words denoting the singular shall include the plural and vice versa, and words denoting the masculine gender shall include the feminine gender and the words denoting persons shall include body corporate societies, and the like.

2. The Regulations contained in Table A of the First Schedule to the Companies Act (hereinafter called Table A) shall apply to the Company, save in so far as they are varied or excluded hereby, but, in case of any conflict between the provisions herein, and in

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- f.* To carry on the business of storage, warehousing, transits, collection and handling of all kinds of cargo, whether containerized or not, from any port station to any container freight station or to any inland container depot and freight carriers, transportation of goods, animals or passengers from place to place either by land or by air, or partly by sea and partly by land or air, whether by means of motor vehicles and/or aeroplanes or other means of transport, to establish and to construct and operate container freight stations, inland container depots, and allied activities and operate railway sidings and to own, lease, use container and deploy the containers in the business of international freight forwarding, by means of road, sea, transport and multimodal transport, and to carry on the business of clearing & shipping agent hirers, fleet owners of trucks, trailers, cranes, bulldozers and all types of earth moving equipment and machines.
- g.* To carry on the business of buying, selling, importing, exporting, trading and otherwise dealing in all types of goods, merchandise and materials including but not limited to machinery components, automobile parts and accessories including tyres.
- h.* To undertake and carry on the business of courier services for carrying packages, parcels and other items; loading and unloading forwarding and clearing agents, warehousemen, stevedores and carriers for and on behalf of owners of goods, luggage, parcels, materials, articles, commodities, live-stock & other movables of all kinds and descriptions.
- i.* To acquire and carry on in such manner and in such place or places, either in Tanzania or elsewhere, as the Company may think requisite or proper any other business, whether in transport and logistics industry or otherwise, which may seem to the Company capable of being conveniently carried on in connection with any of the above specified objects, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights;
- J.* To purchase, take on lease, hire or otherwise acquire in Tanzania or elsewhere any movable or immovable properties or any rights or interest therein, which the Company may think necessary or convenient for effecting any of its objects, and in particular any lands, houses, patents, trademarks, trade names, copyrights, Licenses, stock, material or property of any description, and to work, use, maintain and improve, sell, let, surrender, mortgage, charge, disposal of or otherwise deal with the same or any other property of the Company, including in respect of any business rights belonging to the
-

Company, the grant of licenses or authorities to any person, corporation or company to work the same;

- k. To develop, improve and utilize any land acquired by the Company, or in which the Company is interested, and lay out and prepare the same for building purpose, construct, alter, pull down, decorate, maintain, fit up and improve buildings, roads and conveniences, and to plant, pave, drain, maintain, let on building lease or building agreement any such land, and advance money to, and enter into contracts and arrangements of all kinds with builders or tenants of and other interested in any such land;
- l. To acquire, hold, trade or deal in shares, stocks, debentures, bonds, obligations and securities issued or guaranteed by any Company constituting or carrying on business in Tanzania or elsewhere, and any debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority supreme, municipal, local or otherwise, whether in Tanzania or abroad;
- m. To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, and convert any such stocks, shares or securities as mentioned in the last preceding paragraph;
- n. To apply for, purchase or otherwise acquire and protect and renew in any part of the world, any patents, patent rights, trade and service marks, designs, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited rights to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired, and to expend money in experimenting upon, testing or improving any such patents, inventions or rights;
- o. To purchase or otherwise acquire or undertake the whole or any part of the business, assets and liabilities, including shares, stocks, bonds, debentures, mortgages, deeds of bond and security or other obligations, or any, or either of them, of any other Company, corporation or person carrying on any business which the Company is authorized to carry on, or possessed of any property or right suitable for the purposes of the Company, and acquire the business of any company or corporation, if deemed expedient, by amalgamation with such company or corporation instead of by any other way;

- p.** To engage in any business or transaction within the limits of the Company's objects, in conjunction with any other person, corporation or company, and to hold shares, stocks or bonds in any such company or corporation;
- q.** To accept payment for the business or undertaking of the Company or any part thereof, or for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise or in shares or bonds of any company or corporation, with or without deferred or preferred rights in respect of dividends or payment of capital or otherwise, or by means of a mortgage, or by debentures, debenture stock or mortgage debentures or bonds of any company or corporation and generally on such terms as the Company shall determine;
- r.** To promote, form, subsidize and establish any companies or corporations;
- s.** To invest any moneys of the Company and to hold, sell or otherwise deal with such investments and to receive moneys (or investment);
- t.** To borrow, raise or secure the payment of the money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, deeds of bond and security, bonds or mortgages charged upon all or any of the property of the Company (both present and future), including its uncalled capital for the time being;
- u.** To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, debentures and other negotiable or transferable instruments;
- v.** To distribute any of the property of the Company amongst the Members in species or otherwise, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) or the time being required by law;
- w.** To do all or any of the above things in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and either by or through trustees, agents or otherwise and either alone or in conjunction with others;
- x.** To do all such other things as are incidental or conducive or are in the opinion of the Company incidental or conducive to the attainment of the above objects or any of them or which may be conveniently carried on and done in connection therewith, or which may be calculated directly or indirectly to enhance the value of, or render profitable, the business or property of the Company;

ii
ii

It is further expressly declared that the intention is that the objects s
the clause shall be construed

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in each of the foregoing paragraphs of this clause shall be construed
the most liberal way and shall in no way be limited or restricted by refer
to any other paragraph or by any inference drawn from the terms of any of
Paragraph.

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- 4. The liability of the members is limited.
- 5. The authorized share capital of the Company at the date of registration of Memorandum of Association is **Taha. 25,000,000.00 (Tanzania AbUUnp Twen Five Killion) only divided into 100 (One Hundred) bare or Taha. 250,000 (Tanzania SbUJlgs Two Hundred Fifty Thousand) each.** The Company s have the power to increase or decrease the capital or the shares. The Company from time to time, assign shares to several classes or alter or modify preferential, qualified, special or deferred rights, privileges and conditions.

We, t
desir
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the C

We, the several persons whose names addresses and descriptions are subscribed desirous of being formed into a co pany in pursuance of this Memorandu Association and we respectively agree to take the number(s) of shares in the capi the Company set opposite our respective names.

NAMI

<u>NAMES, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS</u>	<u>NUMBER OF SHARES TAKEN</u>	<u>SIGNATURE OF SUBSCRIBERS</u>
ELISIFA AWUNIELI NGOWJ, P. O. Box 33116, Dar es <u>SaJaawn.</u>	60	- rin.
IFFIOCENT ELISIFA NGOWJ, P. O. Box 33116, Dar es Salaam.	20	fr

ELISI
P. O.
Dar e
INNO
P. O.
Dar

Dated at Dar es Salaam this 10 day of July 2022.


Witness to the above Signatures

NAME : b V l l ; , b ' M O ---

ADDRESS

SIGNATURE

DESIGNATION

V.  hJt-A
COMMISSIONER FOR OATHS
6



THE COMPANIES ACT, 2002 (CAP 212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

KIKARE CONSOLIDATED COMPANY LIMITED

1. In these Articles and Regulations, unless inconsistent with the subject or context:-

..**The Act**" means the Companies Act, 2002 (Cap 212) of the Laws of Tanzania.

When any provision of the Act is referred to, the reference is that provision as modified by any law for the time being in force.

Unless the context otherwise requires, the expression defined in the Act or any statutory modification thereof in force at the date at which these Regulations become binding on the company, shall have the meanings so defined.

"**The Board**" means the Board of Directors for the time being of the Company.

"**Dividend**" includes bonus.

"**Member**" means the registered holder of a share or shares in the Company.

"**The Seal**" means the Common Seal of the Company.

"**Secretary**" means any person appointed to perform the duties of the Secretary of the Company.

"**Ordinary Resolution**" means resolution that has been passed by simple majority, i.e. 51% voting rights.

"**Special Resolution**" means resolution that has been passed by not less than three-fourths of voting rights.

Any words denoting the singular shall include the plural and vice versa, and words denoting the masculine gender shall include the feminine gender and the words denoting persons shall include body corporate societies, and the like.

22. The Regulations contained in Table A of the First Schedule to the Companies Act (hereinafter called Table A) shall apply to the Company, save in so far as they are varied or excluded hereby, but, in case of any conflict between the provisions herein, and in

addition to the provisions of the Companies Act, 2012.

shall be the regulation of the provisions of Table A of the Companies Act, 2012, in so far as they apply to the Company.

3. The Company is a **PRIVATE COMPANY**

a. The right to transfer shares is restricted in manner hereinafter prescribed;

b. The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the cessation of such employment to be members of the Company) is limited to fifty.

PROVIDE THAT where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Articles be treated as a single member;

c. At no point should the company have less than two members;

d. An invitation to the public to subscribe for any shares or debenture of the Company is prohibited.

e. The Company shall not have power to issue share warrants to the bearer.

CAPITAL

4. The authorized share capital of the Company at the date of registration of this Memorandum of Association is **Tshs. 25,000,000.00 (Tanzania Shillings Twenty - Five Million) only divided into 100 (One Hundred) shares of Tshs. 250,000.00 (Tanzania Shillings Two Hundred Fifty Thousand) only each.**

5. Without prejudice to any special rights previously conferred on the holder of shares or class of shares, any share in the company may be issued with such preferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the company may from time to time by ordinary resolution determine.

6. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

SHARE CERTIFICATE

7. Every person whose name is registered as a member in the register of members shall, if he is entitled to the shares, be entitled to a certificate under the Seal of the Company specifying the share or shares held by him and the amount paid up thereon provided that in respect of a share or shares held jointly by several persons the Company shall not be

bound to first; not more than one certificate, and delivery of a certificate for a share to one of the joint holders shall be sufficient delivery to all.

8. If any such certificate shall be worn out, defaced, destroyed or lost it may be renewed or such certificate may be replaced, and in being produced as the Directors shall require, and in case of want of such certificate or of defacement on delivery of the old certificate and in case of destruction or loss on execution of such indemnity. In case of destruction or loss the member to whom such renewed certificate is given shall bear and pay to the Company all expenses incidental to the investigation of the evidence of such destruction or loss and to such indemnity.

PROHIBITION OF DEALING IN COMPANY SHARES

9. The Company shall not give, whether directly or indirectly, or whether by means of a loan guarantee, the provision of security otherwise financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person for any shares in the company or its holding Company (if any) nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding company (if any) but nothing in this Article shall prohibit transactions mentioned in the provisions of the Act.

LIEN

10. The Company shall have first and paramount lien on every share for any money's worth (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company's lien, if any, on a share shall extend to all dividends payable thereon.

CALLS ON SHARES

11. The Directors may, subject to the provision of these Articles, and to any conditions of allotment, from time to time, make such calls upon the Members in respect of all monies unpaid on their shares, as they think fit.

TRANSFER AND PLEDGE OF SHARES

12. The shares of the Company may be transferred among the Members in whole or in

part.

13. The written consent of the other Member shall be obtained when one Member transfers the shares in the company to any person other than the other Members. The Member shall give the other Members a written notice of the proposed transfer of shares in the Company and seek their consent. If the other Members fail to respond within 30 days upon receipt of the written notice it shall be deemed to have consented and if the Member who disagrees with such transfer shall purchase the

to the transfer. The Members w

shares to be transferred by the Member; if such Member refuses to purchase the shares to be transferred, the shares shall be deemed to have been transferred to the transferee.

14. The other Member of the partnership, upon the death of a Member, shall have the preemptive right for the shares of the deceased Member upon their consent.
- IS. Without the prior written consent of the other Members, any Member shall not pledge or otherwise encumber his shares. Otherwise, such pledge shall be invalid and the pledgee shall be deemed to have used by such invalidity.

TRANSMISSION OF SHARES

16. In case of death of a Member the survivors or survivor where the deceased was a joint holder or only surviving partner, shall be the only persons recognized by the Company as the executor(s) of the estate of the deceased Member, but nothing herein contained shall release the estate or a partner (whether sole or joint) from any liability in respect of any share solely owned by him.

17. Subject to any provisions of the Articles, if the person becoming so entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence as to the identity of the person becoming so entitled as may from time to time be required by the executor(s), and subject as hereinafter provided, be registered himself as a holder of the share or elect to have some person nominated by him registered as the transferee thereof.

18. Subject to any other provisions of the Articles, if the person becoming so entitled shall elect to be registered himself, he shall deliver or send to the company notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations, restrictions and provisions of these Articles, relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer executed by such member.

19. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall be entitled to receive and may give a good discharge for all dividends and other moneys payable in respect thereof, but shall not be entitled to receive notices of or to attend or vote at meetings of the Company or save as aforesaid, to any of the rights or privileges of a member until he shall have become a member in respect of the share.

FORFEITURE OF SHARES

20. If any member fails to pay the whole *or* any part of any call on or before the day appointed for the payment thereof the Directors may at any time thereafter during such

in the case where any part thereof remains unpaid, the Company may serve a notice on the holder of such call, or such part thereof as remains unpaid together with any accrued interest, and any expenses incurred by the Company by reason of such non-payment.

21. The notice shall name a further day (not being less than fourteen days from the date of the notice) prior to which such call or any part thereof as aforesaid, are to be paid. It shall also name the place where payment is to be made, and shall state that in the event of non-payment, at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

22. If the requirements of any such notice as aforesaid are not complied with, and shares in respect of which such notice has been given may at any time thereafter, before payment of all calls, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect.

23. A forfeiture of shares under the preceding Article shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

24. Where any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the shares, by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register opposite to the entry of the share, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

25. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, permit the share so forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share and upon any further or other terms they may think fit.

26. Every share which shall be forfeited shall thereupon become the property of the Company, and may be either cancelled or sold, or re-allocated or otherwise disposed of, either to the person who was before forfeiture the holder thereof, or entitled thereto, or to any other person, upon such terms and in such manner as the Board shall think fit, and whether with or without all or any part of the amount previously paid on the share being credited as paid. The Directors may, if necessary, authorize some person to transfer

a forfeited share to any such other person as aforesaid.

27. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture were presently payable by him to the Company in **respect** of the shares, but his liability shall cease if and when the Company receive payment in full of the nominal amount of the share.

28. A statement in writing that the declarant is a Director of the Company and that the share in the Company has been duly forfeited. The Company thereof may receive in the share on any sale or disposition and in consideration, if any given for the share, and the person to whom the share is sold may execute a transfer of the share and thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money, and any

proceedings in reference to the forfeiture, sale or disposal of the share.

29. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the time of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

INCREASE OF CAPITAL

30. The Company may from time to time by Ordinary Resolution increase the share capital by such sums, to be divided into shares of such amount, as the resolution shall prescribe.

31. The Company, by a resolution increasing the capital may direct that the new shares or part of them be offered in the instance either at par or at a premium of (subject to the provisions of the Act) at a discount to all the holders for the time being of shares held by them respectively or may make any other provisions as to the issue of the new shares. In default of any such direction or so far as the same shall not extend the new shares shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons and on such terms as it shall think fit.

32. Unless otherwise stated in the terms of the issue of the new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture, and otherwise as the original share capital.

ALTERATION OF CAPITAL

33. The Company may, by Ordinary Resolution: -

- a. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- b. Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act.

c. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its capital by the amount of shares so cancelled.

34. The company may, by Special Resolution reduce its share capital and any capital consent required in any manner and with and subject to any incident authorized and by law.

BORROWING POWERS

35. The Directors

purpose of the Company may exercise all the powers of the Company to raise or borrow for the they may secure the business such sum or sums of money as they think fit and mortgage or otherwise repay or raise any such sum or sums as aforesaid by property and charge its undertaking, or charge upon the whole or any part of the unissued capital of the company, present and future, including its uncalled or present and future, by the issue, at such price as they may think fit, of the company, price as the issue, including its uncalled or unissued capital or by the issue, at such either charge or otherwise, think fit, of bonds, debentures, debenture stock, and other securities, or not charged upon the whole or any part of the property and assets of the company, the Company either outright or as security for any debt, liability, or obligation or company or of any third party, or in such other way as the Directors may think expedient.

RIGHTS AND OBLIGATIONS OF THE MEMBERS

36. Members shall be entitled to the rights hereunder:

- a.* Attending or attending by proxy the Board of Directors Meeting, and voting in proportion to their respective paid-in capital contribution;
- b.* Being informed of the operating conditions and financial conditions of the Company, supervising the operating, administrative and financial management according to the laws, and making suggestions and enquiries;
- c.* Collecting the dividends in proportion to their respective paid-in capital contribution;
- d.* Prior subscribing the additional capital in proportion to their paid-in capital contribution when the Company increases its capital;
- e.* Collecting the surplus property when the Company is winding up;
- f.* Inspecting, photocopying the Articles of Association, the resolutions of the Board and financial statements; and
- g.* Other rights vested by the laws, regulations and Articles of Association of the Company.

37. The Members shall exercise their rights in proportion to their paid-in capital contribution. Such rights shall include but not limited to the voting right of the Members in proportion to their paid-in capital contribution at Board of Directors

Meeting, the right to collect dividends 10P
 For the purpose of this clause, "paid-in capital contribution" shall refer to the actual capital contribution or the amount paid in by a member in proportion to the

38. Members shall undertake the obligations hereunder:

- a.** Abiding the Articles or Association or the Company, and not damaging the interests of the Company;
- b.** Making the capital contribution to the Company fully and timely; unless stipulated by the Articles of Association of the Company;
- c.** Assuming liability of the Company to the extent of its subscribed capital contributions;
- d.** Not withdrawing the contribution after the incorporation of the Company;
- e.** Keeping confidential the business secrets of the Company;
- f.** Obtaining the prior written consent of the other Member before transacting with the Company;
- g.** Handling the reasonable matters entrusted by the Company; and
- h.** Other obligations stipulated in the laws, regulations and Articles of Association of the Company.

DIRECTORS

39. Unless and until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than two and not more than seven.

The following persons shall be the first Directors of the Company: -

- 1. ELISIFA AWUNIELI NGOWI**
- 2. INNOCENT ELISIFA NGOWI**

40. The shareholding qualification for directors may be fixed by the company in general meeting, and unless and until so fixed no qualification shall be required.

41. The quorum of Directors for transacting business shall, unless otherwise fixed by the Directors, be TWO.

42. The remuneration of the Directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day today. The

Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any

of the Director, or of the Company or an connection with
the business of the Company.

POWERS AND DUTIES OF DIRECTORS

43. The business of the company shall be managed by the directors, who may exercise all the powers of the company. No resolution of the memorandum or articles and no directions shall be valid if they have been given by the directors which would otherwise be valid if given by the directors. The powers of the directors shall not be limited by any special resolution of the directors and a meeting of the directors at which a resolution is passed shall be valid if the directors exercise all powers exercisable by the directors.
44. The directors may, by power of attorney, appoint any person to be the attorney or agent of the company for such purposes and on such conditions as they determine, including a power to charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.
45. The directors may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.
46. The company may exercise the powers conferred upon the company by sections 124 to 177 of the Act with regard to the keeping of a branch register, and the directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit respecting the keeping of any such register.
47. The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the board, to be the attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may contravene such provisions for the protection and convenience of persons dealing with any such attorney as the board may think fit and may also authorize any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

DISQUALIFICATION OF DIRECTORS

48. The office of a Director shall *ipso facto* be vacated: -
- a. If he is found to be lunatic or becomes of unsound mind;
 - b. If he becomes bankrupt or compounds with his creditors;

c. If he absents himself from meetings of the Directors for a continuous period of six months without special leave of absence from the Directors and the Directors resolve that his office be vacated;

resolution, he is removed from office;
... he resigns from office;

- d. ... by resolution, he is removed from office;
- tt. If by notice in writing to the Company he resigns from office;
- f. If he is convicted of a crime or is otherwise disqualified by law from acting as a director;
- ff. If he is convicted of a crime or is otherwise disqualified by law from acting as a director.

SECRETARY

49. The Secretary shall be appointed by the Directors for such term at such remuneration and upon such conditions as may be determined by the Board. The Secretary may be removed by the Board.

SEAL

50. The seal shall not be affixed to any instrument except by the authority of a resolution of the Directors and shall be so affixed in the presence of at least one Director or some other person approved by the Directors, and shall sign every instrument so affixed in their presence.

51. The seal of the company shall be kept at its registered offices under the custody of one of the directors of the company.

DIVIDENDS

52. The profit of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Board of Directors meeting may declare dividends accordingly.

U. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Board.

55. M. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company available for distribution.

56. 58. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.

RESERVES

57. The Directors may before recommending any dividends whether preferential or otherwise, set aside out of the profits of the Company such sums as they think proper and may also carry to reserve any premiums, received upon the issue of shares, securities or obligations of the Company. All sums standing to reserve may be applied from time to time, at the discretion of the Directors for meeting depreciation or contingencies or for special dividends, or bonuses, or for equalizing dividends or for repairing, improving or maintaining any of the property of the Company, or for such other purpose as the Directors may think conducive to the objects of the Company or any of them, and pending such development as the Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to, reserve carry over any profits, which they may think it not prudent to divide.

ACCOUNTS

58. The Directors shall cause proper books of account to be kept with respect to: -
- a. All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
 - b. All sales and purchase of goods by the Company; and
 - c. The assets and liabilities of the Company.
59. The books of accounts shall be kept at the office or (subject to the provisions of the statutes) at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
60. The Directors shall from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid before the members of the Company in Board of Directors Meeting annual accounts, director's report, auditors' and reports as are referred to in that sections.
61. The copy of every balance sheet including every document required by law to be annexed thereto which is to be laid before the Company in the Board of Director's meeting together with a copy of the Auditor's report shall not be less than fourteen days before the date of the meeting be sent to all persons entitled to receive notices of Board of Directors Meeting of the Company.
62. A financial management and accounting system shall be adopted by the Company according to the applicable laws and regulations. The approval from the Board shall be obtained before such system comes into effect.

63. With the sanction of a Special Resolution of the Members any part of the assets of the Company, of the Company, or of any other companies may be divided between the members and the Company in such manner or may be vested in trustees for the benefit of such members as the Members may determine.

WINDING UP

64. If at any time the Company is unable to pay its debts as they fall due, or if the Members resolve that the Company should be wound up, the liquidation of the Company may be closed and the Company shall be deemed to be wound up for the purposes of these Articles.

65. Where there is any liability of the Company, the Members shall be compelled to accept any shares whereupon the Company is wound up.

64. The Company can be dissolved by the Members when the matters hereunder occur:

a. The Company is unable to pay its debts as they fall due, or if the Members resolve that the Company should be wound up;

b. A Member fails to perform his duties under the Articles of the Company, which results in the Company unable to continue the business;

c. The Company suffers a serious loss due to the act of God, i.e. natural hazard, war, etc., which results in the Company unable to continue the business;

d. Laws, regulations and policies change, and such change seriously and negatively influence the Company or a Member.

INDEMNITY

65. Save and except so far as the provisions of the statutes, the Directors, Auditors and Secretary and other officers for the time being of the Company and the trustees, if any, for the time being acting in relation to any of the officers of the Company shall be indemnified out of its assets against all costs, charges, expenses, losses and liabilities sustained or incurred by him in the conduct of the Company's business or in the discharge of his duties.

ALTERATIONS OR ADDITIONS

66. Subject to the provisions of the ordinance and to those contained in the Memorandum of Association of the Company, the Company may by Special Resolution make alteration, and such resolutions made shall be as valid and effectual as if originally contained in those Articles and be subject in like manner to alteration by Special Resolution.


67. This articles of association is subject to the existing laws applicable to companies in Tanzania and in case of any conflicts, the laws of the Land shall supersede.

ARBITRATION

68. If and whenever any dispute or difference shall arise between the Company and any

of the members or their respective representatives touching upon the construction or

mean g of any of the Articles herein contained or any act matter or thing roade C
 or. rrupted to be done or with regard lo the rights or liabilities arising here un a p pising
 out of the relation existing between the parties by reasons of these Arti
 e Act, such differences shall (unless a sole arbitrator be agreed upon) forth
 referred to th arbitration of three (3) arbitrators one to be appointed by the firSl
 m the event of failure to agree within (Cap. 15) or any then existing st
 modifications or re-enactment thereof shoUapply.

NAMES, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE OF SUBSCRIBERS
ELISIFA AWIJNIELI NGOWI, P. O. Box 33116, Dar es <u>Salaam.</u>	60	
INNOCENT ELISIFA NGOWI, 0. Box 33 I16, Dar es <u>Salaam.</u>	20	

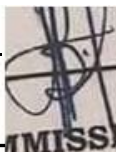
Dated at Dar es SaJaam this 10 day of ..i.fe - .. 2022.

Witness to the above Signatures

NAME

\ f) tJ 262, Ddn

ADDRESS

P.O. 
MISSIONER FOR OATHS

SIGNATURE

• DESIGNATION



ANNEXURE I

List of Documents required from the Borrower:

1. This Facility Agreement and Form of acceptance duly signed by the Borrower in at least four originals.
2. Board resolution by the Borrower authorizing borrowing and issuance of securities to secure the exposure and the procurement of securities.
3. Copies of Fire and allied perils risk insurance policy over assets and properties charged noting the interest of KCBT as the first loss payee.
4. All other documents required under clause 11 as provided under this Agreement.

ANNEXURE II

List of Securities required by the Bank:

1. Original FDR Receipt with Ref No. MM/21253 amounting to USO 79,000.68 maturing on 09th September, 2022 i.n.o Elisifa Awuniel Ngowi and Original FDR Receipt with Ref No. MM/22237/QWNN amounting to USO 50,000.00 maturing on 24th August, 2023
2. Letter of set-off in respect of FDR receipt with Ref No. MM/21253 amounting to USO 79,000.68 maturing on 09th September, 2022 i.n.o Elisifa Awuniel Ngowi and Original FDR Receipt with Ref No. MM/22237/QWNN amounting to USO 50,000.00 maturing on 24th August, 2023
3. Lien or Consent in respect of issuance of FDR receipt with reference number **MM/21253XHYJH**" in the name of Elisifa Awuniel Ngowi and FDR USO 50,000.00 with Certificate "MM22237QLINN" in the name of KIKARE Transport Enterprises Company Limited.
4. Deed of Assignment of Receivables
5. Director's Joint and Personal Guarantee and indemnity to be registered to cover unspecified amount.
6. Specific Debenture over the acquired brand new 4 unit of Tractors and 3 units of Flatbed Trailers.