

IN THE UNITED REPUBLIC OF TANZANIA  
Dated this ..... day of..... 2023.

THE LAND AND LAND REGISTRATION ACT  
{CHAPTER 1 t:J R.E 2018 AND CHAPTER 334 R.E 2002)

AN AREA COVERING 157 SQUARE METR S ON PLOT NO.  
2199/6 SAMORA/MKWEPU STREET, ILALA MUNICIPALITY,  
DAR ES SALAAM.

TENANCY AGREEMENT

BETWEEN

GSM TANZANIA LIMITED

AND

CTS INTERNATIONAL LOGISTICS CORPORATION  
LIMITED

This Agreement is made this ..... day of..... 2023.

**BETWEEN**

**GSM TANZANIA LIMITED**, a limited liability company incorporated in the United Republic of Tanzania having its registered office in Dar es Salaam and of **Post Office Box Number 6244, Dar es Salaam** (Hereinafter referred to as "**the Lessor**". which expression shall include, when the context so admits, its successors, transferees and assigns) of the one part,

**AND**

**CTS INTERNATIONAL LOGISTICS CORPORATION LIMITED** of a limited liability company incorporated in the United Republic of Tanzania, having its registered office in Dar es Salaam and of **Post Office Box Number----- Dar es salaam** (hereinafter referred to as "**the Lessee**" which expression shall include, where the context so admits, its successors, transferees and assigns) of the other part.

**WHEREAS:**

- A. The Lessor is the registered owner of building situated on Plot No. **2199/6, Samora/Mkwepu Street, Ilala Municipality in Dar es Salaam** and comprised under Certificate of Title No. **100758**, (hereinafter '**the Premises**').
- B. The Lessor is desirous of leasing an office measuring **157 sqm** on the **4<sup>th</sup> floor** of the Premises to the Lessee for a term herein below stated and the Lessee is desirous of renting the said Premises on the terms of this agreement.

**NOW, THEREFORE, the Parties hereto hereby agree to be bound by this Agreement on the terms and conditions more specifically set out hereunder:**

**1.0. DEFINITIONS AND INTERPRETATIONS:**

1.1 In this Agreement, unless the context otherwise requires, the following words shall have the meanings ascribed below:

- (a) "the lessor" means **GSM TANZANIA LIMITED**.
- (b) "The Lessee" means **CTS INTERNATIONAL LOGISTICS CORPORATION LIMITED**
- (c) "Rental year" means the period commencing **1<sup>st</sup> December 2023** and ends on **30<sup>th</sup> November 2028**.
- (d) "The Parties" means (a) and (b) hereinabove.

1.2 Headings are included in this Agreement for convenience only and shall not be deemed to affect the interpretation of this Agreement.

**2.0. Now this deed witnesseth as follows:**

**2.1.** The lessor herein lets the property described in recital 'A' above unto the lessee, which is **157 Square Meiers** (hereinafter collectively referred to as '**the Premises**').

**2.2.** The Agreement shall be for a term of **five (5) years effective from the 1<sup>st</sup> December 2023** and ends on 30<sup>th</sup> November 2028 subject to the terms of this Agreement as to review, renewal and termination.

**2.3.** This Agreement may be renewed, in writing, subject to negotiations and agreement on new terms and conditions between the Parties. The negotiations as to the said renewal shall commence three (3) months before expiry of this Agreement by the lessee's issuing a notice of intention to renew to the lessor. Otherwise, renewal of the Agreement shall be at the discretion of both Parties.

**2.4.** The LESSOR and the LESSEE have agreed as herein below: •

2.4.1). The Lessor have agreed to give a total fit-out duration of thirty (30) days before the commencement date.

2.4.4). The rental period shall commence effectively on 1<sup>st</sup> December 2023 and will have no grace period.

2.4. 5). Subject to prior notice, the Lessee shall have no objection for lessor or its representatives carrying out any and any building alterations during the duration of the Agreement, provided that reasonable written notice has been provided to the lessee. However, lessor will take due care not to cause any damage to products and inferior fit out or works carried out by the lessee.

**2.5.** The monthly rent for the Premises, **exclusive of VAT and other Taxes**, shall be as follows:

2.5.1. Rent shall be **USO 12/= (United States Dollars twelve only)**

2.5.2. Rent is inclusive of service charge.

2.5.3. Provided that, electricity charges shall be chargeable separately Tsh 400 per reading meter unit and Tsh 143,400 per AC per month.

2.5.4. Parking fee shall be charged Tsh 50,000 VAT Inclusive per parking lot per month.

**2.6.** The said rent shall be paid quarterly in advance (i.e. on quarterly basis) in lump sum and such payment shall be made on or before expiration of each quarter. As regards the first rental year, the Lessee shall pay the said rent immediately after execution/signing of this Agreement.

**2.7.** There shall be a penalty imposed on the Lessee for any delays that exceeds thirty days (30) from the date of such payment of rent.

The Lessor shall, therefore, be entitled to charge an additional 10% of the total debt owed by Lessee to the Lessor as penalty until full satisfaction of Lessee's obligations herein Agreement.

- 2.8. Delays or non-payment of rent as when it falls due shall constitute a fundamental breach of this Agreement entitling the Lessor to exercise its rights of enforcing vacant possession/ right to re occupy the demised premises without notice to the Lessee; and/or include enforcing lock out on the Lessee from demised property until full payment of the owed rent together with its penalty. Similarly, the Lessor shall have the rights to terminate this Agreement under this provision of this Agreement.
  - 2.9. The Parties hereby confirm to have carried out a prior inspection of the Premises and are satisfied that it is in good condition, but the Lessee undertakes to renovate the same to meet its needs/requirement without changing the structure of the Premises subject to clause 3.8 of this Agreement. The scope and extent of renovation is based on the design approvals provided by the Lessor.
2. To Precaution deposit:
- 2.8.1. That the Lessee shall provide to the Lessor an amount equivalent to one (1) month's rent, which shall be deposited in a non-interest-bearing account, as a deposit at the commencement of the Agreement and the same shall be refunded to the Lessee at the expiration or termination of the Agreement; provided that every defect and/or liability in or associated with the Premises, if any, caused by the Lessee has been made good, otherwise the costs for repairing any such defect and/or satisfying the liability shall be

deducted from the said deposit by the Lessor and the remainder thereof shall be paid to the lessee as per the terms of this clause;

2.8.2. In the event any part or the whole of the precaution deposit is used to make good the defect or liability before termination or expiry of the Agreement, the lessee shall be obliged to credit the precaution deposit account.

2.8.3. The above mentioned security deposit on clause 2.8 shall be deposited by the Lessee to the Lessor's Bank account during the signing of this Agreement.

**3.0. The Lessee hereby covenants with the Lessor as follows:**

- 3.1. To use the Premises for office purposes. Any other use planned by the Lessee other than those stated planned needs to be approved by the Lessor, failing which the Lessor has the right to ask the Lessee to suspend operating the business till the obligation is fulfilled.
- 3.2. To pay all utility bills as per 2.5.3 and 2.5.4, including but not limited to electricity consumed on the Premises and parking.
- 3.3. The Lessee shall be responsible for the security of the Premises for the duration of the Agreement.
- 3.4. Not to assign, sublet or part with possession of the Premises or any part thereof without a written consent of the Lessor duly signed by Lessor's directors or any other person sanctioned to sign, which consent shall not be unreasonably withheld.
- 3.5. Notwithstanding Clause 3.5 herein above, the Lessee shall ensure all contractual copies relating to the sublease are soonest supplied to the Lessor prior the signing of the sublease agreement for scrutiny and blessings.
- 3.6. To permit the Lessor or its agents or servants at all reasonable times of the day without affecting banking privacy structures and other reasonable written notice to enter upon and view the condition of the Premises and the Lessor shall be entitled to give or leave on the Premises a notice in writing to the Lessee of any defects and want of reparation which the lessee shall be liable to make good under the covenant herein contained.

- 3.7. Not, without the prior consent in writing of the Lessor, to erect or cause to be erected on the Premises any addition thereto, nor demolish, modify, cut, maim or injure any part thereof.
- 3.8.1. The Lessee shall seek approval of the Lessor for all drawings, plans and material to be used for any proposed renovation, addition, or improvement of the Premises as per timelines stated in clause 2.4.2 and 2.4.3.
- 3.8.2. Costs for any of Lessee's proposed alteration, additions or improvements to the Premises and approved by the Lessor's shall be borne by the Lessee without refund.
- 3.8.3. Parties shall agree on all additions or structures of any material so placed upon, in or attached to the Premises by the Lessee at the expiry of the term hereby granted or during the subsistence of this Agreement. Any damages caused to the Premises during such removal has to be made good by the Lessee at its own cost.
- 3.8.4. Subject to the requirements of this, the Lessee shall effect necessary interior refurbishment in the Premises in order to suit its business needs but subject to the prior written consent of the Lessor that shall not be unreasonably delayed.
- 3.8.5. The Lessee shall submit to the Lessor all the documents relating to the changes if any or made on the Leased Premises and such documents are, new wiring system, new plumbing system, floor plan, internal partitioning or any other changes made within. Such documents shall be submitted to the Lessor within one month (1) from the date of the commencement. As per format prescribed in Annexure C.
- 3.8.6. The Lessee agrees to obtain all requisites approvals for carrying out the interior fit outs works and ensure that health and safety measures are always taken.
- 3.9. Not to do or permit or cause to be done upon the Premises anything which may be a nuisance or annoyance to or in any way interfere with quiet enjoyment and comfort of the neighbors or which may have a tendency to offend the rules and regulations of the City Council and other relevant laws.

- 3.10. Not to keep or permit to be kept on the Premises any materials of dangerous or explosive nature or the keeping of which may contravene any law or local regulations or by laws.
- 3.11. In the event of default or breach of the terms herein, the Lessor shall be entitled to terminate the Agreement, demand repossession of and re-enter the Premises upon giving the Lessee a three (3) days' notice to remedy the default and if the Lessee fails to remedy the default within the given period the Lessor shall exercise right of termination subject to one (1) month's written notice, demanding repossession and re-enter the Premises.
- 3.12. To give the Lessor three (3) months' notice in the event the Lessee wants to terminate the Agreement, for any reason whatsoever, before expiry of the duration herein granted and the rental shall be due payable till the end of the notice period.
- 3.13. Lessee may provide to Lessor three (3) months' rent as cancellation fee as alternative to 3.12 in the even the Lessee want to terminate the agreement.
- 3.14. To peacefully yield the Premises at the expiration of the term hereby created or its sooner determination in good and tenable repair and condition in accordance with the covenants herein contained.
- 3.15. Not to use the Premises for any sort of production or industrial activities. Further, Subject to clause 3.2 hereinabove, assembling and repackaging of ready-made goods is allowed.
- 3.16. To pay the said rent and taxes on the day and in the manner herein stated.
- 3.17. At all times to keep the Premises and the appurtenances thereof including doors, windows and other fixtures, fittings, fastenings, electrical wires, all items, and appliances left in the Premises, water drains and other pipes, sanitary and water apparatus therein and the paintings thereof in good condition and the mentioned items shall not be changed without prior written consent of the Lessor.
- 3.18. To dispose of the garbage properly and safely outside the Premises in order to be collected by the garbage facilities of the city or municipal council, if service is available, or dispose the same as required by law.

- 3.19. Not to leave the Premises unoccupied for the purposes stated herein for a period exceeding two (2) months whilst ensuring security and safety of the same. In the event the Lessee intends to leave the Premises unoccupied for a period which exceeds two (2) weeks and does not exceed two (2) months, the Lessee shall notify the Lessor in advance, but all issues of security shall remain under care of the Lessee.
- 3.20. The Lessee shall pay stamp duty of this Agreement, which equates 1% of the annual rental fee. Further, withholding tax of 10% shall be deducted and paid from the rent and the Lessee shall submit to the Lessor original documents evidencing payment thereof to the Lessor within ten (10) days of effecting such payment to Tanzania Revenue Authority.
- 3.21. To notify the Lessor and give particulars of:
- 3.20.1. any defect in the Premises which might give rise to an obligation to either the Lessor or the Lessee;
  - 3.20.2. any demand, directive or order given by any authority in respect of the Premises within a maximum of seven (7) days or a reasonable shorter period thereof depending on the nature of the matter in question.
- 3.21. The Lessee shall be criminally liable in the event of any criminal charges, investigations or arrest connected in his business pursuit during the subsistence of this lease.
- 3.22. The Lessee shall do all the fit out works/renovation of the Premises under his own costs and all the costs shall be borne by the Lessee without any refund from the Lessor.

**4.0. The Lessor hereby covenants with the Lessee as follows:**

- 4.1 To pay and discharge land rent and property taxes in respect of the Premises.
- 4.2. To ensure that the Lessee, performing the obligations on its part herein contained, shall peacefully enjoy the Premises during the said term without any interruption, let or hindrance.
- 4.3. The Lessor shall hold free the Lessee of all encumbrances and claims, if any, brought against the Lessor and in favor of third parties.
- 4.4. To notify the Lessee in writing of any intended major change in the ownership of the Premises provided that the same shall not

lead to termination of the Agreement before expiry of the lease period herein created, subject to clause 3.14.

4.5. The Lessor shall permit the Lessee to commence business from 1<sup>st</sup> October 2023 provided all designs are approved and authority approvals are obtained for carrying out the works at the Premises.

**5.0. Further, the Parties hereby agree as follows:**

5.1. The Lessee covenants with the Lessor to permit the said Lessor during the last three (3) months of the tenancy of this lease, to put up upon the Premises, notices of the Lessor's intention to lease the same; and also to permit during the same time such persons as may be desirous of leasing the Premises at the expiration of this Agreement to visit and inspect the same, on written or verbal notice to the Lessee, given at least 24 (twenty) hours before the time of such visit.

5.2. Every notice to be given under this Agreement shall be delivered by hand, registered postal, mail, email or other equivalent recognized courier delivery at the following addresses:

5.4.1. The Lessor's address:

**GSM Tanzania Limited,  
P.O.Box 6244,  
Plot No.2199/6,  
Samora/Mkwepu Street,  
Dar es Salaam,Tanzania.**

5.4.2. The Lessee's address:

**CTS International Logistics Corporation Limited  
P.O.Box \_\_\_\_\_  
Dar es Salaam,  
Tanzania**

5.5. This Agreement shall be governed by the laws of Tanzania Mainland and the Parties expressly agree that all disputes and claims, arising out of or relating to this Agreement or the alleged breach thereof, shall be resolved amicably by exhaustion of the remedies expressly provided herein, and thereafter the same may be submitted to the Courts in Tanzania vested with competent jurisdiction.

5.6. This agreement is subjected to renewal for another leased term (s) in new conditions mutually conceded by the parties herein.

Notwithstanding the foregoing, parties hereto shall issue (3) Three Months' notice before the lapse of the agreement in perpetuity in writing of an intention to continue with the leased agreement.

IN WITNESS WHEREOF the parties hereunto have set their respective hands and seals to this Agreement on the day and year and the manner appearing hereunder:

SEALED at Dar es Salaam with the COMMON SEAL of the said,  
GSM TANZANIA LIMITED,  
and DELIVERED in our presence,

COMMON  
SEAL  
OF THE LESSOR

This ..... day of ..... 2023.

Name: AZE KAIKAI

Signature: 

Postal Address: P.O. BOX 6244, DAR ES SALAAM, TANZANIA.

Qualification/Designation: BUSINESS MANAGER

Name: AMAN AHMED

Signature: 

Postal Address: P.O. BOX 6244, DAR ES SALAAM, TANZANIA.

Qualification/Designation: PROPERTY MANAGER

SEALED at Dar es Salaam with the COMMON SEAL of the said,  
CTS INTERNATIONAL LOGISTICS CORPORATION LIMITED

and DELIVERED In our presence.

COMMON SEAL  
OF THE LESSEE

This ..... day of ..... 2023.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Postal Address: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Postal Address: \_\_\_\_\_

Qualification/Designation: \_\_\_\_\_

