

AGREEMENT CONTRACT FOR THE CONSTRUCTION AND USE OF YARD

THIS AGREEMENT is made on this 25th day of July 2023, between:

1. **Abdalla Nassor Ali**, of Mabibo, Ubungo, Dar es Salaam, Tanzania, the owner of the property located at Block B, Plot No. 1446, Mabibo, Ubungo, Dar es Salaam (hereinafter referred to as "The Landowner"), and
2. **Six Continental Trading Company Limited**, a company incorporated under the laws of Tanzania with its principal place of business at Posta, Dar es salaam, Tanzania (hereinafter referred to as "The Company").

WHEREAS:

- The Landowner is the legal owner of Plot No. 1446, Block B, Mabibo, Ubungo, Dar es Salaam (hereinafter referred to as "the Property").
- The Company desires to construct a yard on the Property at its own cost for the purpose of using it for business operations.
- The Landowner has agreed to allow The Company to construct the yard and use it for a period of fourteen (14) years and five (5) months as compensation for the cost of construction.

NOW, THEREFORE, the parties agree as follows:

1. Construction of the Yard

1.1 The Company agrees to construct a yard on the Property at its own cost, for a total amount of Tanzanian Shillings Two Hundred Sixty One Million (TZS 261,000,000).

1.2 The construction of the yard shall commence within sixty (60) days of the signing of this Agreement and shall be completed within twelve (12) months from the commencement date, unless otherwise agreed in writing by both parties.

1.3 The construction will be done according to the approved plans and specifications, and The Company agrees to ensure the construction is of good quality, meeting all legal and regulatory requirements.

2. Use of the Yard

2.1 Upon the completion of the yard, The Company shall have the right to use the yard for a period of fourteen (14) years and five (5) months, commencing from the date of completion.

2.2 During this period, The Company shall not be required to pay rent to The Landowner, as the cost of construction is considered compensation for the right of use.

2.3 At the end of the 14-year and 5-month period, The Company shall vacate the Property and surrender the yard and all improvements therein to The Landowner, unless otherwise agreed upon in writing.

3. Ownership of the Yard

3.1 The yard, once constructed, shall become the property of The Landowner, subject to The Company's right to use the yard for the period stipulated in this Agreement.

3.2 The Company shall not have any claim of ownership over the yard or the Property at the end of the 14-year and 5-month term.

4. Maintenance and Repairs

4.1 The Company shall be responsible for the maintenance and repair of the yard during the period of use.

4.2 Any damage to the yard caused by negligence or misuse by The Company shall be repaired at the Company's expense.

5. Termination

5.1 This Agreement may be terminated by mutual consent of both parties.

5.2 Either party may terminate this Agreement if the other party is in breach of any of the terms and conditions contained herein and fails to rectify the breach within thirty (30) days of written notice from the other party.

6. Force Majeure

Neither party shall be liable for any failure or delay in the performance of their obligations under this Agreement due to causes beyond their reasonable control, including but not limited to acts of God, war, strikes, or government regulations.

7. Governing Law and Dispute Resolution

7.1 This Agreement shall be governed by and construed in accordance with the laws of Tanzania.

7.2 Any disputes arising under this Agreement shall be resolved amicably through negotiations between the parties. If the dispute cannot be resolved within thirty (30) days, the parties agree to submit the matter to arbitration in accordance with the Arbitration Act of Tanzania. The decision of the arbitrator(s) shall be final and binding.

8. Notices

All notices and communications required or permitted under this Agreement shall be in writing and shall be delivered personally or sent by registered mail to the addresses of the parties provided below:

- **For The Landowner:** Abdalla Nassor Ali, P.O.Box, 16581, Mabibo, Ubungo, Dar es Salaam
- **For The Company:** Six Continental Trading Company Limited, P.O.Box, 11277, Dar es salaam

9. Miscellaneous

9.1 This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements, written or oral.

9.2 No modification or amendment of this Agreement shall be effective unless in writing and signed by both parties.

9.3 This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Signed by The Landowner:

Name: ABDALLA NASSOR ALI

Signature: *Ali Nassor*

Date: 25th July, 2023

Signed by The Company:

Name: SEIF NASSOR ALI

Position: MANAGING DIRECTOR

Signature: *Seif*

Date: 25/07/2023

In the presence of:

Advocate:

Name: NEEMA SARUNI

Signature: *Neema Saruni*

Date: 25/07/2023

