

LEASE AGREEMENT

THIS LEASE AGREEMENT is made on the 29...day of ...November, 2021

BETWEEN

MOHAMOOD MOHAMED DUALE, of P.O Box 3260 Dar Es Salaam, United Republic of Tanzania, whose telephone number is 0784 166 068 (hereinafter known as the "Lessor"), which of the one part.

AND

PACIFIC OIL CO. LIMITED, of P.O. Box 3260 Dar es Salaam, United Republic of Tanzania (hereinafter known as the "Lessee") of the second part;

WHEREAS

- A. The Lessor is the owner of all that piece of land, and all properties found thereon, situated at Plot No116 Kigamboni, in the city of Dar es Salaam, United Republic of Tanzania and is desirous to lease the Premises to the Lessee (A copy of the title deed is annexed to this agreement and shall be deemed to be part thereof);
- B. The Lessee is desirous of taking on lease all that piece of land, and all properties found thereon, situated at Plot No 116 Kigamboni, in the city of Dar es Salaam, United Republic of Tanzania, to the Lessee for a period of five (5) years on the terms and conditions stipulated hereunder at a monthly rent of one million Tanzania shillings, payable at three-month intervals.

NOW THIS AGREEMENT WITNESSETH as follows:

1. The Lessor hereby agrees to:
 - (a) Demise and hereby demises to the Lessee of all that piece of land, and all properties found thereon, situated at Plot No 116 Kigamboni, in the city of Dar es Salaam, United Republic of Tanzania (hereinafter called the "Demised Premises" or "Premises"), for use as a storage yard;
 - (b) Hold all the Demised Premises unto the Lessee for a period of five (5) years from the beginning of 1st day of December 2021 (the "Effective Date"), and any renewal or extension thereof (the "Term").

2. The Lessee hereby agrees to:

- (a) Pay to the Lessor, during the Term, a rent of one Million shillings, exclusive of any and all government fees and taxes, per month (1,000,000 TZ) per month, excl. government fees and taxes), payable every three months in advance and within a reasonable time there we a four instalment of payment per each year.
- (b) Make the above-mentioned payments to the Lessor's bank account bearing the following details:
 - Bank Name: NATIONAL BANK OF COMMERCE.
 - Bank Address: SAMORA BRANCH, SAMORA HOUSE,
DAR ES SALAAM, UNITED REPUBLIC OF TANZANIA.
 - Account Holder's Exact Name: MOHAMED DUALE TRANSPORTER.
 - Account Number: 012103017887 (TZS SHILLING)

3. THE LESSEE HEREBY COVENANTS WITH THE LESSOR as follows:

- (a) To pay the rent in the manner aforesaid;
- (b) To pay all charges for sanitation removal and charges for the use of water, electricity and telephone in respect of the Demised Premises during the Term;
- (c) To keep the areas immediately surrounding the Demised Premises in good order and condition;
- (d) At all material times to keep the interior of the Demised Premises and the appurtenances thereof including doors, windows and other fixtures, fittings, electric wires and water apparatus therein and painting and decoration thereof in good condition;
- (e) At the termination of the lease to yield up the Demised Premises with the building thereon in such good and substantial repair and condition as aforesaid;
- (f) To permit the Lessor and his agent, surveyors, and other persons authorised by the Lessor at all reasonable times during the day by prior appointment to enter upon the Demised Premises for the purpose of viewing, taking inventories (if any) and executing any repairs necessary under this agreement;
- (g) Not to make any material alteration or addition to the Demised Premises without first obtaining the written consent of the Lessor;
- (h) That the Lessee may assign, sublet or part with possession of the Demises Premises or any other part thereof without the written consent of the Lessor;
- (i) To use the Demised Premises for office/commercial purposes only;

- (j) Not to use the Demised Premises in such manner as would constitute annoyance or nuisance or as would constitute any danger to the public and/or neighbours;
- (k) Not to carry any offensive trade on the Demised Premises;
- (l) To repair or make good any defect or breach of covenant for which the Lessee is responsible and of which notice has been given by the Lessor to the Lessee within any period which may be specified in the notice;
- (m) Where a termination order has been served, and if disputed, confirmed as per article 5(h) below, to tender up possession of the land and building peaceably, without further dispute and within a practically reasonable delay;
- (n) To adequately insure the Demised Premises against all risks, including, but not limited to, fire, earthquake, burglary or any such perils that the Demised Premises may be exposed to. Such insurance shall also include third party liability for perils caused by an act of God. The Lessee shall further insure its property and fuel products maintained at the Demised Premises; and
- (o) On the expiration or soon after the determination of the Term hereby granted to deliver up the Demised Premises to the Lessor with all lock, keys and fasteners for use on the Demised Premises to the Lessor complete in good tenable repair and condition.

4. THE LESSOR CONVENANTS WITH THE LESSEE as follows:

- (a) The Lessee, having occupied the Demised Premises, and observing and performing the several covenants on his part, shall peacefully hold and enjoy the Demised Premises without any interruptions from the Lessor or his agent or any other representative;
- (b) To hand over the Demised Premises in vacant possession and maintain the same free from all encumbrances including, but not limited to, outstanding utility and/or other bills, any central or local government taxes, any mortgages and related rights, any third-party claims of ownership, acquired rights and or any form claim of lien that may result subject to the agreements and other covenants contained in this agreement;
- (c) That any property, equipment, fixtures and fittings installed on the Premises by the Lessee shall at all times remain the property of the Lessee and shall not be subject to any distraint, lien or any claim by the Lessor;
- (d) Not to issue any of the Premises' ownership titles, acts or legal ownership documents to any third-party person and/or entity in a way of private security, mortgage, guarantee without the prior express written consent of the Lessee. Any such act that contravenes this provision shall constitute a material breach of this agreement by the Lessor.

- (e) To keep the exterior and main structure of the Demised Premises in good repair and, in receipt of the notice from the Lessee, to remedy faults therein mentioned as soon as possible;
- (f) To inform the Lessee of any central or local government planned expropriation whether in public or private interests, which may affect either in full or in part the peaceful occupancy of the Premises. Such communication shall be made at latest seven (7) days after receipt of the same by the Lessor. It is hereby agreed that in case of any such occurrence or intended expropriation, the Lessor through this agreement automatically commits that all funds and fees invested, including but not limited to, the fees that shall have been advanced by the Lessee, in the form of prepayment of rent, at such a time of lease interruption by expropriation and/or public works on the leased Premises, shall be immediately reimbursed to the Lessee. The Lessor hereby accepts to cede any such rights of compensation by allowing the Lessee to apply for such compensation from the compensating or expropriating authority;
- (g) In case the Demised Property is held on lease by the Lessor with the Government of Tanzania and/or Tanzanian government authorities (the "Government"), it shall be the Lessor's responsibility and duty to pay all the site rates, land rent or other impositions, fees, taxes and any other payment owed and due by the Lessor to the Government during the Term of this agreement as per the terms of this agreement; and

5. PROVIDED ALWAYS and it is hereby agreed and declared that:

- (a) If the rent or any other payment due by the terms of this lease or any part thereof remains unpaid for thirty (30) days after it became due whether legally demanded or not or if there is any breach or non-performance or non-observance by the Lessee of any of the covenants or agreements herein and on the part of the Lessee to be performed and observed then the Lessor may serve upon the Lessee a notice in writing requiring the Lessee to forthwith remedy the same and if the Lessee shall not within forty five (45) days thereafter comply with such notice, the Lessor may at any time thereafter enter upon and repossess the Premises and thereupon this lease shall be terminated. The Lessor shall have such powers to pursue the matter for redress as per article 5(h) below;
- (b) In the event of the Premises or any part thereof being damaged, destroyed or rendered uninhabitable by an act of God or fire not attributable to the Lessee, its servants or its licensees before the expiry of the Term so as to render the Premises unfit for occupation or use, the Lessor shall allow to the Lessee a total or proportionate abatement of the rent (as the case may be). If any dispute under this sub-clause arises the matter shall be resolved in accordance with article 5(h) below;
- (c) If this lease is terminated as a result of malicious acts or omissions on the part of the Lessor prior to expiration of the Term of this lease, then the Lessor shall be liable to the Lessee forthwith for loss of profits, prospective profits, special, consequential, incidental

and indirect damages for each year or part of a year of the period from the date of such wrongful determination to the end of the Term of this lease which losses are a direct consequence of such malicious acts or omission AND the Lessee shall be entitled to proportionate and fair compensation with reference to market price at that point in time. The Lessee shall not vacate the Premises and shall continue with his business until such compensation is settled. Neither Party shall terminate this lease at any time before expiry unless such termination is as per the terms and conditions of this agreement;

- (d) If at any time during the Term of the lease the Lessor shall desire to sell or dispose of the Premises, the Lessor shall give written notice to the Lessee of such desire stating the price at and the terms on which it is willing to sell and if the Lessee shall not agree to the terms stated within ninety days (90 days) of receipt of this notice and the terms and conditions then the Lessor shall be at liberty to sell to a third-party at a price of and on terms no more favourable than those offered to the Lessee and the Lessor shall not at any time accept any offer for the purchase of the Premises by the third-party without first offering to sell the leased Premises to the Lessee in accordance with the provisions of this sub-clause PROVIDED THAT the Lessor shall be free to accept an offer to purchase the premises from a person other than the Lessee if the Lessee is unable, for any reason other than the fault of the Lessor, to complete the purchase of the same within sixty days (60) days of the acceptance by the Lessor of the Lessee's offer to purchase the same. For the avoidance of doubt any such sale or transfer shall be subject to this lease and the new owner following such sale or transfer shall be bound by the terms of this lease agreement as lessor;
- (e) Any notice under the lease agreement shall be in writing and any notice to the Lessee shall be sufficiently served if left addressed to him on the Demised Premises or sent to him by registered post at the Premises or at the Lessee's registered address hereinbefore mentioned. Any notice to the Lessor shall be sufficiently served if sent to him by registered post at his aforesaid address. Any notice served by registered post is deemed to have been served, unless proof of the contrary is set forth by the recipient, at most seven (7) working days after the day on which it is posted. Any change in the above addresses shall promptly be communicated by either Party in writing;
- (f) The Parties have participated jointly in the negotiation and drafting of this agreement. In the event an ambiguity or question of intent or interpretation arises, and except for paragraph 1 of the preamble and article 2(b) whose correctness are the Lessor's sole responsibility, this agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favouring or disfavouring any Party by virtue of the authorship of any of the provisions of this agreement;
- (g) Notwithstanding anything to the contrary herein contained, the provisions of this lease may (subject to the provision of any law in force to the contrary) be modified by an exchange of letters signed and dated by both Parties hereto and shall, after such exchange of letters, be read and construed as so modified;

(h) This agreement shall be construed and governed in accordance with the laws of the United Republic of Tanzania. If any dispute shall arise between the Lessee and Lessor concerning the contents of this agreement, the matter shall (i) be amicably addressed by the Parties, and if unresolvable, (ii) be referred to a mediator designated by both Parties, and if that dispute remains unresolved after 4 weeks after having been so referred, (iii) be referred to an arbitrator to be agreed upon by both Parties or appointed in default of agreement by the Chairperson of the Tanzania Institute of Arbitrators, established in accordance with the Arbitration Act., which rules are deemed to be incorporated by reference into this article 5(h). The seat, or legal place of the arbitration shall be the United Republic of Tanzania. The venue for the arbitration shall be the United Republic of Tanzania. The language used in the arbitral proceedings shall be English. The decision of the arbitrator shall be final and binding; and

(i) This lease agreement may be terminated before the Term under the following circumstances:

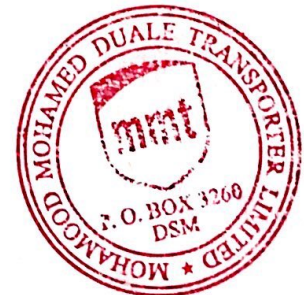
- i. In the event the Lessee has failed to honour his obligations to pay the rent as agreed; or
- ii. Where either Party has not respected any of the obligations set out above in this lease agreement including but not limited to clause 3 and 4 of this lease agreement; or
- iii. The Lessee shall have the right to terminate this agreement in case the Lessor has failed to respect the obligations set out above in this lease agreement and to receive any portion of the prepaid rent not utilised; or
- iv. By giving the other Party ninety (90) days' notice without cause.

In the event of this lease being terminated by the Lessor for any valid reason due to any acts and/or omission under this lease agreement by the Lessee before expiry of the Term, any portion of prepaid rent not utilised shall become refundable by the Lessor to the Lessee forthwith, and, if not paid, shall be recoverable upon a decision under article 5(h).

IN WITNESS WHEREOF the Parties hereto have duly executed these presents on the day and in the manner hereinafter appearing.

SIGNED and DELIVERED by the said MAHAMOOD M. DUALE who is identified to me by the later being known to me personally in my presence thisday of2024

} LESSOR



BEFORE ME:

Full Name: LESLIE S. KOINY

Signature: [Signature]

Postal Address: Box 40194 D'Soleman

Qualification: ADVOCATE



STAMPED with the COMPANY STAMP of PACIFIC OIL CO. LIMITED and DELIVERED

In our presence this day of 2021

Full Name: Seif Rukundo

Signature: [Signature]

Postal Address: 3260

Qualification: Director



STAMP DUTY
TShs. 120,000/= Collected
Receipt No. 99844932668 Date 02/12/2021
For: [Signature]
Regional Manager - Tembeke