

**THE REGISTRATION OF DOCUMENTS ORDINANCE
[CAP. 117]**

BETWEEN

ALHUSHOOM INVESTMENT (T) LIMITED

AND

LUNA TRADING AND LOGISTICS LIMITED

**IN RESPECT OF THE PROPERTY LOCATED AT TABATA
PLOT NO. 68 & 69, MANDELA ROAD, DAR ES SALAAM,
TANZANIA**

Lease Agreement

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AGREEMENT OF LEASE

1. PARTIES

ALHUSHOOM INVESTMENTS (T) LIMITED (The "LANDLORD")

Certification of incorporation number: 19702

Registered address: P.O. Box 20831,

Herein represented by: Said E. Nahdi,

In his capacity as: Director,

He being duly authorized hereto.

AND

LUNA TRADING AND LOGISTICS LIMITED (The "TENANT")

Certification of incorporation Number: 129327,

Herein represented by: Nuru Z. Mmanyi,

In his capacity as Director,

Each a "Party" and together the "Parties".

2. DEFINITIONS

2.1 In this Agreement unless the context clearly requires otherwise, the following words and phrases shall have the meaning set out below.

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- 2.1.1 "Agreement/Lease" means this lease agreement.
- 2.1.2 "Business Day" means any day other than Saturdays and Sundays or any official public holiday in the United Republic of Tanzania.
- 2.1.3 "Leased Premises" means the Plot include Two warehouses of approximately three thousands square meters each, parking area in between the warehouses and the office building, built on the Property by the LANDLORD.
- 2.1.4 "Property" means premises on Plot Number No. 68 & 69, situated at Tabata, in Dar es Salaam, comprised under Certificate of Title Number 37327 registered in the name of Alhushoom Investment (T) Limited.

3. OCCUPATION OF LEASED PREMISES

- 3.1 The TENANT shall be entitled, for the purpose of preparing and fitting out the Leased Premises, to have access or to take occupation of the Leased Premises from the date declared in this Agreement. That is when the TENANT shall effectively enter the demised premises. If the LANDLORD is unable to give the TENANT such occupation of the Leased Premises by reason of the Leased Premises being incomplete, or in a state of disrepair, or by reason of any other fact, the TENANT shall have no claim for damages or right of cancellation and shall accept occupation subject to at least 30 (thirty) Business Days written notice to the TENANT, provided that if the Leased Premises are not ready for occupation within 3 (three) months of the Commencement Date, then the TENANT shall be entitled to cancel this Lease by giving at least 14 (fourteen) Business Days written notice to the LANDLORD to that effect which cancellation may not come into effect until the expiry of the 3 (three) month period.
- 3.2 In the event of such a delay, the Commencement Date and termination date shall be extended accordingly.

4. LETTING AND HIRING

The LANDLORD hereby lets the Leased Premises to the TENANT and the TENANT hereby hires the Leased Premises from the LANDLORD. Such letting and hiring shall be on the terms as set forth in this Agreement.

5. PERIOD OF LEASE

- 5.1 This Lease shall, notwithstanding the date of execution of this Agreement by a Party signing last in time, shall commence on the Commencement Date (as hereinafter defined and determined) and shall continue for a period of 5 (Five) years thereafter.

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5.2 The Commencement Date of this Lease shall be 01st March, 2022 and the termination date shall be 28th February 2027.

5.3 Notwithstanding the provisions of 5.1 and 5.2 above, the TENANT shall have the right, during the currency of this Lease or any renewal thereof or any new lease agreement entered into, to cancel this Lease and vacate the Leased Premises by giving a 3 (three) months written notice to the LANDLORD to that effect at any time after six (6) months of the Lease.

5.4 Should the TENANT cancel this Lease in terms of clause 5.3 hereof, and has paid rental in advance exceeding the 3 (three) month's notice period, the LANDLORD shall reimburse the TENANT with the amount of rental exceeding the 3 (three) month's period on a pro-rata basis.

6. MONTHLY RENTAL

6.1 The monthly rental (excluding VAT) for the period covered by this Lease and payable by the TENANT to the LANDLORD shall be USD 25,000 (United States Dollars Twenty Five Thousand Only) only per month exclusive of VAT.

6.1 The rental payment shall be paid Ten months, the total sum of USD 250,000 exclusive of VAT, and is subject to deduction of 10% withholding tax.

6.2 All rental payable by the TENANT in terms of this Lease shall be made without demand, free of exchange and without any deduction or setoff whatsoever. Save for withholding tax, the TENANT shall submit the tax certificate to the LANDLORD once the same have been effected.

6.3 Should the LANDLORD submit to the TENANT any invoices for the payment of rental or any other charges for which the TENANT may be liable in terms of this Lease, such invoices shall be directed to the TENANT as follows:

Luna Trading and Logistics Limited
P. O. Box 71717
Dar es Salaam
Tanzania.

and any queries regarding payment thereto are to be directed to:

.....
Luna Trading and Logistics Limited,
P. O. Box 71717,
Dar es salaam,
Tanzania.

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Or such other address, telephone number or fax number as the TENANT may notify to the LANDLORD from time to time.

7. **ELECTRICITY AND OTHER CHARGES PAYABLE BY THE TENANT**

7.1 The TENANT shall be liable for and on demand to pay for:

- 7.1.1 Electricity charges, rising out of its use of electric current in or on the Leased Premises;
- 7.1.2 The basic and service charges in respect of the services referred to in clause 7.1.1;
- 7.1.3 The VAT payable on such charges referred to in clauses 7.1.1. and 7.1.2.;
- 7.1.4 The TENANT shall deploy and pay for its own guard; and

7.2 The TENANT's liability for charges for electric current shall be determined in accordance with a meter installed by the LANDLORD. As a back-up, the TENANT will have its own standby generator at the demised premises.

8. **OPTION TO RENEW**

8.1 Both shall have the option to renew this Lease by entering into a new lease for a further period required by the Parties, by written notification given to the LANDLORD not later than 3 (three) months prior to the termination date of this Lease. Such lease shall be on the same terms and condition as are contained in this Lease including the right to give notice as set out in 5.3 above, except for the rental, which the rental shall be market related as if the premises were vacant.

8.2 The LANDLORD shall give written notice to the TENANT of the required rental payable during the renewal period at least 3 (Three) months prior to the termination date of this Lease or renewal thereof such rental amount shall be fair market rental value of the Leased Premises as of the expiration date and shall be subject to mutual consent of both Parties.

9. **USE OF PREMISES**

The TENANT shall use the Leased Premises for the purpose of Stuffing and storing goods for export, as the term is understood in its widest context from time to time during the duration of this Lease, and for all purposes of business ancillary and incidental thereto, and for any other lawful purpose.

10. **TENANT'S OBLIGATION**

The TENANT shall, to the best of its ability, keep the Leased Premises fully operational.

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11. TENANT'S RIGHTS

11.1 The TENANT may carry out all works required to bring telephone and data line to the Leased Premises with the consent of LANDLORD.

11.2 The TENANT shall be responsible for all costs in respect of the running of the Leased Premises and shall be responsible for the maintenance, repair with the consent of LANDLORD.

12. SIGNAGE

12.1 The TENANT shall be entitled to place or affix any signs written or otherwise or other matter, awning or canopy anywhere on or about the Leased Premises with the prior permission and approval of the LANDLORD and subject to the terms of this Lease which upon termination of this Agreement whether by effluxion of time or otherwise shall be removed by the TENANT at its own expense failing which the LANDLORD shall remove whatever sign/signs and charge the TENANT the cost, which the TENANT shall pay within fifteen (15) Business Days from the date of invoice. Any damage caused by such signs or the removal thereof by the TENANT shall be repaired and made good by the TENANT before delivering up the Leased Premises to the LANDLORD.

12.2 Signage is to include neon signs, decals, logos, registered name plates, hours of business, etc., and the LANDLORD acknowledges that the signs displayed by the TENANT must conform with the corporate identity standards set by the TENANT Group of Companies and that the TENANT shall retain control of the manufacturing of its signs.

13. DAMAGE, DESTRUCTION AND VANDALISM

13.1 In the event of the Leased Premises, the Building or the Property being totally or partially destroyed, the LANDLORD shall within three (3) months inform the TENANT that either:

13.1.1 The Leased Premises and the Building shall be rebuilt/restored as the case may be within a reasonable time period and during such restoration or rebuilding the TENANT shall be entitled to a total or partial remission of rent according to the extent to which, and the period during which, the TENANT has been deprived of beneficial occupation of the Leased Premises, or

13.1.2 The Leased Premises and the Building shall not be rebuilt/restored as the case may be and this Lease shall be terminated with effect from the date of the damage or destruction but the TENANT shall remain liable to pay the LANDLORD all

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amounts which were owing to the LANDLORD at the date of damage or destruction.

- 13.2 Any dispute arising out of 13.1.1 and 13.1.2 shall be referred to an independent expert appointed by the President of the county's Institute of Valuers or his nominee and whose decision shall be final and binding on the Parties.
- 13.3 Notwithstanding anything to the contrary contained in this Agreement, it is hereby agreed that the TENANT shall have the right, at its sole discretion, to cancel this Lease by giving the LANDLORD 3 (Three) calendar months' written notice in the event of the Leased Premises being regularly (or consistently) or irreparably damaged as a result of abuse or vandalism.

14. FORCE MAJEURE

Neither Party shall be responsible for any damages, loss or failure in any other way of this Agreement due to force majeure such as war hostilities, revolution, civil commotion, strike, lockout, epidemics, fire, floods, earthquakes or by any law or order, proclamation, regulation or ordinance of any government or any subdivision thereof or because of any God, nature or public enemy, act or omission which would affect the carrying out of the purpose of this Agreement.

- 14.1 A Party claiming force majeure shall as soon as reasonably possible after becoming aware of the force majeure event, notify the other Party thereof, stating the nature, extent and expected duration of the same.
- 14.2 The burden of proof of the existence and extent of the alleged event and the enforceability thereof shall rest on the Party claiming the force majeure.
- 14.3 The Party receiving notice in terms of clause 14.1 shall within seven (7) Business Days of receipt thereof notify the other Party of his acceptance or otherwise of the claim. In the event of such Party notifying the other that the latter's claim of force majeure is not accepted, the provisions of clause 14.2 shall apply.
- 14.4 In the event of force majeure as notified and continuing for a period of thirty (30) Business Days, the Party who has received notice of force majeure shall be entitled to terminate this Agreement with immediate effect.

15. INSURANCE

The LANDLORD at his own discretion may insure the building and the Leased Premises against all classes of risk as may reasonably be required. The TENANT shall be responsible for its own insurance.

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16. **DOMICILIUM**

17.1 The LANDLORD hereby chooses domicilium citandi et executandi at:

Chief Operating Officer
ALHUSHOOM INVESTMENTS (T) LIMITED,
P.O.BOX 20831,
Dar es Salaam

17.2 The TENANT hereby chooses domicilium citandi et executandi at:

Chief Executive Officer
LUNA TRADING AND LOGISTICS LIMITED
P.O.BOX 71717,
Dar es Salaam

17.3 Any notice delivered by hand to either Party shall be deemed to have been received on the date and time it is delivered and signed for but if sent by prepaid registered post it shall be deemed to have been received by the addressee 7 (seven) Business Days after posting by the addressor.

17.4 The LANDLORD and the TENANT shall each be entitled by notice in writing to the other, to change the address set out above respectively chosen by each of them.

17. **LEGAL COSTS**

The Parties shall each pay its own costs of and incidental to the negotiation and preparation of this Lease, including attendances, consultations and professional fees. The stamp duty payable in connection with this Lease shall be paid by the TENANT.

18. **SUB-LETTING**

The TENANT shall not without the LANDLORD'S prior written consent, wholly or partially transfer or cede its rights and obligations in terms of this Lease to another party, nor sub-let the Leased Premises or give up occupation of the Leased Premises.

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19. **BREACH OF LEASE**

19.1 Should the TENANT fail to pay any rental, VAT or any other amount due in terms of this Lease on due date without any reasonable justification or should the TENANT commit any other breach of this Lease and fail to pay such rental, VAT or any other amount or to remedy such breach within a period of 7 (Seven) Business Days of receipt of written notice from the LANDLORD calling upon the TENANT to remedy the breach, without any reasonable justification, then the LANDLORD shall be entitled but not obliged to terminate this Lease on written notice to the TENANT and to resume possession of the Leased Premises

19.2 The LANDLORD's remedies set out in clause 19.1 shall be without prejudice to the LANDLORD's claim for arrears of rental and other amounts owing hereunder or for damages which the LANDLORD may have suffered by reason of the TENANT's breach of contract or of the premature termination of this Lease.

19.3 Should the LANDLORD commit any breach of its obligation in terms of this Lease, the TENANT shall be entitled, but not obliged, to either terminate this Lease Agreement on 14 (fourteen) Business Days prior written notice to the LANDLORD, at the TENANT's sole and absolute discretion, at any time after such breach has been committed by the LANDLORD And the provisions contained above shall mutatis mutandis apply to the exercising by the TENANT of its rights of termination.

20. **GOVERNING LAWS**

This Lease shall be contracted and implemented in accordance with the laws of the United Republic of Tanzania.

21. **DISPUTE RESOLUTION**

If a dispute of any nature arises between the Parties, including in regard to the interpretation of, the effect of, the Parties' respective rights or obligations hereunder, a breach of or the termination of this Lease Agreement, then, upon written request of either Party, each of the Parties will appoint a senior representative whose task it will be to meet for the purposes of resolving such dispute. Such representatives will discuss the matter in dispute and negotiate in good faith in an effort to resolve the dispute on amicable terms within 14 (fourteen) Business Days. No formal proceedings may be commenced until the designated representatives conclude in good faith that an amicable resolution of the matter is not likely to occur.

22. **ARBITRATION**

Any dispute between the Parties, which cannot be settled amicably within Fourteen (14) business days after receipt of such amicable settlement, may be submitted by

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either Party to Arbitration in accordance with the laws of the government of the United Republic of Tanzania.

23. TERMINATION OF LEASE AGREEMENT

- 23.1 That the LANDLORD shall be at liberty to terminate this Lease Agreement by giving the TENANT ninety (90) days' notice of its desire to terminate the Lease Agreement and the TENANT shall do so by giving the LANDLORD ninety (90) days' notice of the intention to terminate the Lease Agreement and the lease shall terminate on the expiration of the notice so given.
- 23.2 The TENANT should give notice of at least three months before the expiry of the Term hereby created to the LANDLORD expressing his (the TENANT'S) intention whether or not to renew the lease for a further term.
- 23.3 Upon expiration of the notice period the TENANT shall hand over vacant possession of the premise and make payments, if any, due to the LANDLORD.
- 23.4 Notwithstanding the provisions of any other clause to the contrary contained in this Agreement of Lease, it is specifically agreed that in the event of the Leased Premises being vacated by the TENANT for any reason in the future or at the Termination Date of this Agreement of Lease, the TENANT shall be liable at its own expense repair and make good any damage caused within Leased Premises.

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In WITNESS whereof this Agreement has been entered into the day and year written below.

THE LANDLORD:

SIGNED and DELIVERED by the said ALHUSHOOM INVESTMENT (T) LIMITED and DELIVERED in presence of us this 27th day of February, 2022 } Seal

Names SAID E. NATH
Signature SA

Postal Address 20831, Dar es Salaam
Designation DIRECTOR

Names FUND O. MBARAV.
Signature [Signature]

Postal Address 20831, Dar es Salaam
Designation G.M.

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THE TENANT

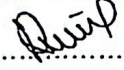
SIGNED and DELIVERED by the said
LUNA TRADING AND LOGISTICS LIMITED
and DELIVERED in our presence
this 27th day of February, 2022

} Seal

Names

..... Ndou ZAKAMA MMBAYI

Signature

..... 

Postal Address 71717, Dar es salaam

Designation

..... DIRECTOR

Names

..... ABED SAID ABED

Signature

..... 

Postal Address 71717, Dar es salaam

Designation

..... DIRECTOR

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