

## Memorandum of Understanding

THIS MOU is made on this [date?]<sup>th</sup> day of [month], [year].

### **BETWEEN**

M/S ?, a company incorporated under the laws of Pakistan, having its registered **Head Office** at ?, through its [designation], **Mr. ?**, holding **CNIC # ?**, duly authorized to sign this agreement, hereinafter referred to as the **Lessee** (which expression shall unless repugnant to the contents & context hereof be deemed to include its successor-in interest, assigns & nominees etc.)

### **AND**

M/S ?, a company incorporated under the laws of Pakistan, having its registered **Head Office** at ?, through its [designation], **Mr. ?**, holding **CNIC # ?**, duly authorized to sign this agreement, hereinafter referred to as the **Lessee** (which expression shall unless repugnant to the contents & context hereof be deemed to include its successor-in interest, assigns & nominees etc.)

(the Lessor & Lessee hereinafter may together be referred to as the “**Parties**” & individually as the “**Party**”)

### **WHEREAS:**

- (a) the Lessor is the lawful owner in possession, & holding legal powers & authority to let out the leased premises & to execute this MOU of leasehold / freehold unencumbered immovable commercial property situated at [address], measuring [?] sft in total ([?] sft, [?] sft, approx.) at [?] floor as per attached site plans of the above mentioned (hereinafter referred to as the “leased premises”) along with a building constructed thereon, including provision of parking space for customers, electricity, water, sewerage, all fixtures & fittings therein, all rights & easements & the right to use the facilities, amenities, services & conveniences.
- (b) The Lessor has offered to let out the leased premises to the Lessee, & the Lessee has agreed to take the leased premises on rent & CAM charges for the display & sale of its [enter brand names here] products.

**Hence both the parties are agreed on following terms & conditions of this MOU:**

1. That recitals form an integral part of this MOU.
2. The parties will enter into a lease agreement for a term of [?] YEARS commencing from the successful handing over the possession of the leased premises to the Lessee.

### 3. Rate of Monthly Rent & CAM Charges:

1. The rate of monthly gross rent, payable by the Lessee to the Lessor, for the leased premises on execution of the lease agreement & subject to exact measurement of the leased premises, will be between **Rs. [?] / SQF**.
2. The applicable CAM charges are approximated to be between Rs. [?] / SQF to Rs. [?] / SQF. Upon the request of the Lessee, the Lessor shall oblige by sharing the complete breakup / calculation of the rate of the said CAM charges on actual basis.

### 4. Handing over:

1. The Lessor will construct the leased premises as per the prevailing standards & specifications, & will hand over the complete, exclusive physical, vacant & peaceful possession of the leased premises to the Lessee on or before [month] [year].
2. The Lessor, before handing over the complete, exclusive physical, vacant & peaceful possession of the demised premises to the Lessee, shall ensure & be bound to complete the following items:
  - a. **Front Glass:** 8mm or 12mm Tempered
  - b. **Floor Tile:** preparation of plain cement concrete base + installation of floor tiles as per the Lessee's approved sample
  - c. **Stairs:** external main entrance stairs of concrete / steel structure + marble / tile + railing, internal stair structure + marble steps + railing
  - d. **Transformer:** ? KVA with installation & connection to the Three-phase electric meter(s)
  - e. **Commercial Electric Meter(s):** ? Three-Phase Meter(s) of required capacity (# of meters as per Company's load requirements or as per regulation)
  - f. **Main Electricity Cable:** boring & installation of main electric cable piping from the location of the electricity meters to the Lessee's DB location + installation of the main electricity copper cable as per the load requirements of the Lessee
  - g. **Washroom(s):** - for customer & staff use
  - h. **AC Outdoor Units:** location for placement of AC outdoor units on side / rear / rooftop of the site

- i. **Front Shutter:** installation of front shutter (as per the Lessee's requirements)
  - j. **Generator:** space for placement of backup Generator of required capacity at the shop's front / on the rooftop + construction of generator base
  - k. **Waterproofing Treatment:** treatment of complete rooftop area + windows + doors (as per the Lessee's requirements)
  - l. **Parking Space:** space for customer parking with installation of parking pavers
  - m. **Signage:** space for display of shop's main front fascia branding
3. The handing over of the complete, exclusive, physical, vacant & peaceful possession of the leased premises on the due date or otherwise to the Lessee, shall be considered valid only if duly notified & acknowledged in writing by the Lessee.

#### **5. Rent Free Fit-out Period:**

1. There shall be rent free fit-out period of ? Days starting from the successful handing over the possession of the demised premises to the Lessee for the renovation of the demised premises during which neither the Lessor will charge nor the Lessee will pay the monthly rent of the leased premises. If, for any reason whatsoever, the date of possession is delayed, the additional delayed days shall be added to the already committed fit-out period.

#### **6. Advance License fee & Security:**

1. The CAM charges shall be the same for all brands.
2. Both the Lessee & the Lessor have mutually agreed to sign a detailed lease agreement at the time of handing over the possession of the leased premises.
3. The Lessor on demand of the Lessee shall be bound to forthwith return the complete amount of any money paid under this MOU along with the cost of loss incurred by the Lessee, if the Lessor violates any of terms & conditions of this MOU.

#### **7. The Lessor' Covenants & Warrants:**

1. The Lessor confirm & undertake that the "Leased Premises" will be constructed in accordance with the law, rules & regulations & after taking the relevant permissions from the competent authorities.
2. The Lessor confirm & undertake that the "leased Premises" shall be free from any lien, encumbrance, & litigation of any kind whatsoever.

3. The Lessor confirm that the leased Premises shall be a duly commercialized building.
4. Liability or defect if any arises or discovered in the title or authority of the Lessor or in the commercialization or building plan/construction of the leased premises, the lessor shall be solely responsible to immediately rectify such defect & shall ensure holding the Lessee harmless.
8. **Advertisement & Marketing Campaigns.** The Lessee by affixing its signature on this MOU, does not allow / authorizes the Lessor to use the Lessee's company's name & its brand's logos to make any kind of public announcements of the proposed transactions contemplated in this MOU though advertisements, marketing campaigns, etc., without seeking prior written permission from the Lessee. If the Lessor is found in violation these terms, the Lessee reserves the right to proceed by taking legal actions against the Lessor for the said infringement.
9. **Termination:** If due to business circumstances beyond the control of Lessee, the execution of the lease agreement between the parties become impossible, the Lessee will have the right to terminate this MOU with prior written notice of [?] days to the Lessor. In that case the advance token amount paid by the Lessee to Lessor under this MOU shall be refunded immediately.
10. **Indemnity:** The Lessor shall indemnify the Lessee against all costs, damages, losses, claims etc. & hold Lessee harmless against all the losses including sales loss & damages which the Lessee may suffer, undergo or pay as a result of any violation of this MOU by the Lessee or due to any defect, loophole, irregularities, illegalities in the title/authority of the Lessor, or in the construction or commercialization of the leased premises or arises due to any litigation over the leased premises or due to any damage/demolition of the leased premises.
11. **Counterparts:** This MOU has been executed in 02 original copies; one for the Lessee & the other for the Lessor. Both counterparts so executed shall for all purposes constitute one agreement with same legal effect, binding on both the parties hereto.

IN WITNESS WHEREOF the parties have signed this MOU / agreement at place & the date mentioned above in the presence of witnesses.

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Lessor

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Lessee

WITNESS:

1. \_\_\_\_\_

2. \_\_\_\_\_