

Board of Directors
PO BOX 2651 • Dar es Salaam • Tanzania
Tel: +255 22-2151817/8
Fax: +255 22-2152077
E-mail: board@istafrica.com



**International School
of Tanganyika**

www.istafrica.com

Land Dispute with Swedish School Impacts IST Redevelopment

18 December 2008

Dear Parents, Teachers and Staff,

This letter is to provide you with an update on the ongoing dispute over the IST land in Oyster Bay. The timing right before the holiday is unfortunate, but circumstances compel us to inform you of recent developments.

The entire plot of land bounded by Chole, Haile Selaisse and Ruvu Roads was allocated to IST for educational purposes by the Government of Tanzania and IST holds the sole title. However, the Swedish School Society (SSS) has long asserted a claim to the portion of the plot they occupy.

IST urgently needs more space for sequenced redevelopment of classrooms, sports facilities and other educational facilities for a growing population, whereas the SSS no longer operates an active primary school. This week's site master planning presentation illustrated IST's dire need for additional space to provide adequate facilities. Because of this need and since we have title to the land, in recent years we have sought to redevelop some of the area the SSS occupies. In December 2007, after previous attempts to negotiate a resolution on land use had been unsuccessful, IST formally asked SSS to vacate the premises. Following this, amicable negotiations regarding the use of the plot resumed and there was progress towards an agreement for IST to develop a portion of the land and for SSS to retain sufficient land to continue their preschool and after-school educational activities. However, the two Boards were unable to reach final agreement. In particular, IST's Board felt the compensation claim by SSS for the loss of the use of some space was beyond what our parents should have to pay for land we hold title to.

In August 2008 IST received a letter from the Commissioner for Lands to both Boards indicating that the revocation of IST's deed to the entire plot of land had been sanctioned in order to facilitate resolving the complaint of the Swedish School Society that part of its land is held by IST. Based on legal advice, in September 2008 IST commenced legal proceedings to gain access to the land occupied by the SSS. We did not take this action lightly, but it was necessary in order to protect our rights to the entire plot of land for which we hold sole title. Each side has presented legal arguments, but no final ruling has been made and the court is in recess until February.

In mid December, we learned that the SSS is actively seeking tenants for the house on the Ruvu/Chole road corner as a residential rental. Since the house rests on land which IST holds title to and which was intended for educational purposes, we have followed legal advice and secured the vehicle entrance to the residential property with a chain and lock and placed IST-contracted security at the entrance. We have informed the SSS that the house cannot be leased to a third party while the land is in dispute.

We have continued to request meetings with the Swedish School Board in order to resolve the conflicting claims out of court. Most recently, we have suggested the use of an independent

mediator to assist the two schools in finding common ground for a mutually agreeable solution. The SSS have yet to commit to mediation or to finalize a date for a meeting.

It is very embarrassing for us to be engaged with the SSS in this way, especially given the fact that quite a number of the Swedish School parents and children are IST parents and children at the same time. Given our need for land, we cannot further acquire new and expensive land for development at the expense of IST parents, but must rely on our own land resources.

We expect all educational activities to continue unimpeded as the court case and possible negotiations continue. A final solution with the SSS to this ongoing dispute will serve the best interests of both communities who have many interests in common, but it clearly depends on the good faith of the SSS. We will continue to keep you informed of significant developments.

Your comments and feedback are most welcome via the Board email below.

Sincerely,

The Board of Directors
International School of Tanganyika
board@istafrika.com