



DEBT COLLECTION SERVICES AGREEMENT

MATUNDU VILLAS - UNIT 1

WESTLANDS, ALONG MATUNDU LANE - OFF SCHOOL LANE/ OR BROOKSIDE

DRIVE

CONTACTS

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REPUBLIC OF KENYA

DEBT COLLECTION SERVICES AGREEMENT

BETWEEN

ECO-ETHICS AND DEVELOPMENT LTD (EED LTD)

And

.....

DATED THE DAY OF..... 20.....

ECO-ETHICS AND DEVELOPMENT LTD

THIS AGREEMENT is made on the..... Day of.....20..... between of Post Office Box Number, a company incorporated in the said Republic and registered as an institution pursuant to the provisions of the Companies Act (Laws of Kenya) and having its registered office in Nairobi, (hereinafter "the Client" which expression shall, unless the context so admits, include its successors and assigns in title) of one part; and

- A. ECO- ETHICS AND DEVELOPMENT LTD** of Post Office Box Number 666- 00618 Nairobi aforesaid (hereinafter referred to as "EED LTD" which expression shall where the context so admits include its successors and permitted assigns on the other part

WHEREAS

- A.** The Client has a portfolio of debtors and is desirous of engaging the services of debt collection agents to assist in the recovery of unpaid debt and is desirous to expedite the recovery of these debts.
- B.** EED LTD is a debt management and collection firm with experience in recovery of unpaid debts and credit administration, desirous of rendering debt management and collection services to the Client (hereinafter referred to as "the Services");
- C.** EED LTD has offered and the Client has accepted EED LTD offer for the provision of the Services;
- D.** This Agreement describes the scope of the services and the rights and obligations of the parties in relation to the provision of the Services.

IT IS HEREBY AGREED:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement, the following words and expressions shall, unless inconsistent with or otherwise indicated by the context, have the following meanings and cognate expressions shall have corresponding meanings:
"Agreement" means this document containing the Terms and conditions agreed as set out herein;

"Business Day" means any day other than Saturday and Sunday or a public holiday in Kenya;

"Collection Reports" means Collection Reports issued by EED Ltd to the Client from time to time pursuant to this Agreement and "Collection Report" shall be construed accordingly;

"Commencement Date" means the Date of Activation for purposes of Clause 2 of this Agreement;

"Commission Fee" means the agreed charge on the respective Debt Collections, exclusive of applicable taxes;

"Date of Activation" means the date of the letter/email addressed to EED LTD containing the Redemption Instructions from the Client;

"Debt" means the total amount of money due and owing to the Client from the Debtor as referred to in the Debt Submission Checklist;

"Debtor" or "Customer" means a customer of the Client Whose Debt has been referred to EED LTD pursuant to this Agreement;

"Intellectual property" means property in the form of patents, trademarks, service marks, trade names, trade secrets, and copyrights owned by either the Client or EED LTD;

"Intellectual Property Rights" includes any design rights, utility models, patents, inventions, service marks, logos, business names, trademarks (whether registered or unregistered), internet domain names, applications for any of the foregoing, copyright, moral rights, rights in databases, data, source codes, reports, drawings, specifications, know-how, trade secrets, confidential information, software designs and/or other materials, semi-conductor rights, topography rights, rights in the nature of unfair competition and the right to sue for passing off and any other rights equivalent to any of the foregoing in any jurisdiction worldwide and any application for registration of the foregoing;

"International Performing Debts" means any debt where the Debtor has changed his physical location and is domiciled outside the Republic of Kenya;

"Party" shall mean a party to this Agreement and "Parties" shall be construed accordingly;

"EED LTD" means ECO-ETHICS AND DEVELOPMENT LTD;

"Recalled files" means files that are withdrawn by the Client after the date of activation;

"Recovery" means each payment in cleared funds received from or on behalf of a Debtor by EED LTD and/or the Client in respect of a Referred Debt and which Debt has not been referred back to the Client and "Recoveries" shall be construed accordingly;

"Redemption Instructions" means the date of the letter/email of instructions from the Client to EED LTD to collect the Debt on its behalf;

"Skip Trace Method" means an additional Collection Procedure employed to locate untraceable Debtors;

"Secured Debt" means secured debt arising from various registered securities held by the Client being a Legal Charge, a Debenture, a Mortgage and or other type of Loans;

"Services" means the services EED LTD may supply to the Client from time to time under the Agreement including the processing of Collection Reports and the collection of Debts;

"Software System" means the EED LTD Collection Software;

"Terms" means these terms and conditions as may from time to time to be varied by EED LTD and "Term" shall be construed accordingly;

"Third Party Costs" means the additional costs and other costs arising or incidental to the collection of the Debt in the Skip Trace debt collection method including but not limited to the investigator's fees, the fees due to the international affiliates and process server fees;

"Total Portfolio of Debt" means the total Secured and Unsecured Debts as per the debt submission checklist and any other aspect of debt collection referred to EED LTD

"Unsecured Debt" means outstanding moneys and liabilities due and owing to the Client arising from unsecured lending, overdrafts and credit facilities including credit card debts.

- 1.2 Words in the singular include the plural and vice versa;
- 1.3 Words importing any one gender include the opposite and the neuter gender;
- 1.4 References to natural persons include legal persons (incorporated or unincorporated) and vice versa;

- 1.5 A reference to a Party shall include a reference to that Party's successors and permitted assigns;
- 1.6 The headings of clauses are intended for convenience only and shall not affect the interpretation of this Agreement;
- 1.7 Schedules and Annexures to this Agreement shall be deemed to form part of this Agreement. Unless redefined within a particular annexure, terms defined in this Agreement shall bear the same meaning in the Annexures;
- 1.8 If any provision in a definition in this Agreement is a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to it as if it were a substantive clause in the body of this Agreement, notwithstanding that it is only contained in the definition;
- 1.9 Where any period is prescribed in this Agreement, that period shall be reckoned inclusively of the first day and inclusively of the last day unless the last day is not a Business Day, in which case the last day shall be the next succeeding Business Day;
- 1.10 References in this Agreement to any statute or statutory provisions shall include any statute or statutory provision, which amends, extends, consolidates, or replaces the same and shall include orders, regulations, instruments, or other subordinate legislation made under the relevant statute or statutory provision;
- 1.11 Any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time;
- 1.12 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;
- 1.13 All sums herein referred to shall be deemed to be exclusive of any taxes and / or imposts including but not limited to Value Added Tax and Stamp Duty;
- 1.14 Where in terms of this Agreement any communication is required to be in writing, the term "writing" shall include communications by facsimile and electronic mail.

2. COMMENCEMENT DATE AND TERM

This Agreement shall commence on the day of.....20.....
(hereinafter "the Commencement Date") and shall endure for an initial period of three (3) years unless terminated by either party. Upon expiry of the initial period (and provided that the Agreement has not been terminated as aforesaid), the Agreement shall endure for an indefinite period until termination by either party issuing the aforementioned thirty (30) days prior written notice to the other Party.

3. THE SERVICES TO BE PROVIDED BY EED LTD

- a. The Client hereby engages **EED LTD** to provide the Services to the Client. Debts transferred from the Client to **EED LTD** (hereinafter "the Referred Debt") shall be subject to the debt collection process currently employed by **EED LTD**. **EED LTD** shall exercise all reasonable skill care and diligence when carrying out the Services.
- b. EED LTD hereby agrees to act as a duly authorised agent of the Client for the purposes of recovering each Referred Debt. It is intended that the recovery effort should result in the Referred Debt being repaid in full in one amount or in instalments as shall be agreed between the Client, the debtor and **EED LTD**.
- c. If 180 days have elapsed from the date of transfer of a debt by the Client to **EED LTD** and the recovery effort is unsuccessful, EED LTD will consult the client on the best cause of action to take. These actions may include but not limited to taking legal action against the debtor.
- d. **EED LTD** shall collect the Referred Debt or require the debtor to pay the entire Referred Debt or any part thereof directly to the Client.
- e. EED LTD shall advise debtors to deposit all payments (whether in cash or by cheque) into an account in name of ECO-ETHICS AND DEVELOPMENT LIMITED. All cheques made towards the settlement of any debt shall strictly be made out in the name of the Client. The Client shall notify **EED LTD** of the amounts so accumulated and the details of the relevant debtors and the referred Debts to which they relate.
- f. In the instance of non-reconciled allocation of Recoveries to respective Debtor accounts, it will be the responsibility of the Client to promptly and effectively resolve the issue. EED LTD shall advise the Client no later than the last working day of each month the balance of the non-reconciled accounts.
- g. **EED LTD** shall provide a written collection performance report, in a form to be agreed between **EED LTD** and the Client, each month within 10 working days of the month end.
- h. EED LTD shall neither commence legal proceedings against any debtor nor instruct any person to commence the realization of securities or the repossession of assets belonging to any debtor. Where such legal proceedings are deemed necessary, **EED LTD** will advise the Client and a decision will be taken as to the next cause of action by the client., **EED LTD** shall at all times cooperate fully with the Client maintaining due regard to the Client's policies that are in force at the material time and carry out and perform the Services as may be permitted by the Laws of Kenya and in accordance with the highest industry standards as may be considered necessary for the proper conduct of the Services;
- i. **EED LTD** shall perform the Services and carry out its obligations with all due diligence, efficiency, and economy in accordance with generally accepted professional standards and practices and shall observe sound management practices and employ appropriate state of the art technology and safe methods. **EED LTD** shall always act, in respect of any matter relating to this Agreement or to the Services, as

faithful adviser to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with third parties.

4. OBLIGATIONS OF THE CLIENT (REQUIRED INFORMATION CONCERNING THE DEBTOR)

4.1 The Client shall, when transferring a debt, submit to EED LTD the following information:

- a) The full name and full address (physical and postal) of the Debtor (Contact persons e.g. Chief Accountant, Director, etc).
- b) Debtors national identification number (where available) or in the case where this is not available, the passport number and/or alien registration certificate number where the Debtor is not a Kenyan citizen or (in the case where the Debtor is a company or a registered business) the certificate of incorporation or certificate of registration of business and details of the registered office (as the case may be) of the Debtor;
- c) All current telephone and mobile telephone contact number(s) of the Debtor known to the Client at the time of referring the debt to EED LTD;
- d) The amount in the relevant currency of the Debt as at the date of Referral of the Debt to EED LTD (including a breakdown of the principal amount and accrued and capitalized interest and any other fees and charges payable by the Debtor to the Client under the Contract;
- e) In cases of dishonored Cheques, a copy of the bounced Cheque signed by the relevant party.
- f) A brief history of the client`s conduct and payment pattern.
- g) Terms and mode of payment agreed on with the customers.
- h) Date of last payment made by the Debtor to the Client;
- i) A description of the underlying contract between the Debtor and the Client in respect of which the Debt is payable (the "Contract") and, if required by EED LTD, a copy of the Contract/Facility Letter and if the Debt arose other than from a Contract/Facility Letter, details of such transaction; stamped and certified copies of invoices, delivery notes, statements of Account and Initial Public Offering-IPO certificate (where applicable);
- j) Names, telephone number and contact details of personal referees if available and/or applicable to the Referred Debt;
- k) Details of the Debtors employer(s) and employers' contact details where available and/or known to the Client;
- l) Such other reasonable information as may be requested by EED LTD during or after the due diligence process which may include, inter alia, demographic information, credit information and other historical data of the Referred Debtor;

4.2 The Parties may, during the Term of this Agreement, agree on additional information to be provided by the Client to EED LTD in electronic form (where available) to enable EED LTD to effectively carry out the Services.

4.3 It is hereby agreed by the parties that a payment made directly to the Client by a debtor in respect of a Referred Debt or any part thereof shall be treated as a Recovery by EED LTD in respect of which EED LTD shall be entitled to the Fee mutually agreed between the Parties;

4.4 The Client shall notify EED LTD weekly and in writing of the debtors who have made payments and the amounts paid by such debtors into the debtors' accounts with the Client and EED LTD may make daily calls to the Client for specific requests as may be necessary.

4 FILE/DEBT TRANSFER

Transfer of debts to EED LTD is automated and as such the transfer debt files will be sent via email to the designated representative of EED LTD.

5 INDEMNITY

5.1 To the extent permitted by law, EED LTD agrees to indemnify, defend, release and hold harmless the Client from and against any damage, loss, or liability, including without limitation reasonable attorneys' fees and court costs, (collectively, a "loss") which results, directly or indirectly, from the EED LTD's negligence, misconduct, and/or failure to fulfill any of its obligations hereunder, including, but not limited to, the inaccuracy of the EED LTD's Representations and Warranties herein. Nothing contained in this Agreement shall be deemed to relieve EED LTD of any duty that may be imposed by applicable laws.

5.2 To the extent permitted by law, the Client agrees to indemnify, defend, release and hold harmless EED LTD and its affiliates, directors, officers, employees, agents, and owners, individually and collectively, from and against any damage, loss, or liability, including without limitation reasonable attorneys' fees and court costs, (collectively, a "loss") which results, directly or indirectly, from the Client's negligence, misconduct and/or failure to fulfill any of their obligations hereunder including, but not limited to, the inaccuracy of the Client's Representations and Warranties herein. Nothing contained in this agreement shall be deemed to relieve the Client of any duty that may be imposed by applicable laws.

6 FEES and CHARGES

6.1 EED LTD shall present a statement of account and an Invoice in respect of its Commission Fee and the Client shall pay the Commission Fee to EED LTD. Commission to be paid ONLY on collected amounts. All Commission Fees are payable no more than fifteen (15) days after the date of the Invoice;

- 6.2 The Parties have agreed and hereby confirm that for all Referred Debts the Client shall pay the agreed Commission Fee in accordance with the commission structure set out in Schedule 1 of this Agreement, based on the amount collected per Referred Debt.
- 6.3 In the event of termination of this Agreement, EED LTD shall be paid a Commission Fee based on the amounts collected by EED LTD on the Referred Debt.

7 BILLING PROCEDURE

Invoice for collections will be delivered once a month as follows: -

- 7.1 By close of business on the 5th of every month, EED LTD will send a collection reconciliation statement for the relevant period together with its invoice
- 7.2 The CLIENT will be required to pay EED LTD its dues within fifteen days (15) days after receipt of the invoice.
- 7.3 The collection reconciliation statement will show a breakdown of the claimed commission based on the commission rates as stated on the pricing model in Schedule 1.

8 COMMUNICATION

- 8.1 Complaints
It is vital that any serious complaints to either party are brought to the other party's attention immediately. This should include a description of the nature of complaint and the events leading up to it. Particular attention should be paid to complaints where contact with the press, the Law Society of Kenya, KRA and or the Central Bank of Kenya is concerned.
- 8.2 Debtor Queries
The Client will be notified by email immediately on any instance of a Debtor querying or denying the outstanding debt. The "disputed debt" should not be pursued for collection until the query is resolved. The Client shall confirm to EED LTD within seven (7) business days on whether or not to pursue the disputed debt.
- 8.3 Standard Operational Procedures
Any material change in EED LTD's collection procedures should be discussed and agreed in writing with the Client before implementation.
- 8.4 Non Performing Closed Accounts
EED LTD shall send details of the non performing accounts that have been closed and returned on a monthly basis indicating reason for closure and a case file history report.

8.5 Direct Payment to Client

If EED LTD receives advice that a debtor has paid the Client directly then EED LTD will send a query to the Client and the Client shall investigate and revert to EED LTD within 2 working days.

9 SUB CONTRACTING

EED LTD may sub contract any of the obligations in terms of this Agreement to any third party, provided that:

- a) EED LTD has obtained the Client's prior written consent; and
- b) The Client has agreed to the sub contracted party's costs thereto.

EED LTD shall be liable and agrees to indemnify the Client for all the work carried out by the sub-contracting party as if the work was done by EED LTD.

10 CLIENT CONTACT WITH EED LTD

11.1 Changes to Debtor details:

The Client will notify EED LTD of any changes to debtor details by e-mail within 2 working days.

11.2 Standard Operational Procedures:

The Client will advise EED LTD on any policy changes which may impact on EED LTD's deliverables or performance. Such notification will be communicated by email within 2 working days of the effected change.

Debts transferred from the Client to EED LTD (hereinafter "the Referred Debt") shall be subject to the debt collection process currently employed by EED LTD.

11.3 Recalled Files:

- a) If, within 7 business days after the transfer of a Debt to EED LTD, the Client recalls a Referred Debt, the Client will advise EED LTD by email and EED will be required to cease any activity within 24 hours. The Client shall pay EED LTD commissions on the debt collected (if any);
- b) If, after the expiry of seven (7) business days from the date of transfer of the debt to EED LTD, a Referred Debt is recalled by the Client by the Client for whatever reason whatsoever, the Client shall pay EED LTD such fees and commissions as EED would have been paid had it been allowed by the Client to collect the entire debt from the debtor whose file has been recalled. EED LTD should be paid commensurate to what they have collected.

11.4 Accounts on Hold

In the case of any accounts to be put on "hold" the CLIENT will advise EED LTD of this by e-mail. EED LTD will not recommence activity until such approval is

communicated by email by the Client. Any account which is on hold for a period exceeding 14 working days shall be considered as a Recalled File and the Client shall pay EED LTD commissions on the debt collected (if any) as well as reimburse EED LTD for all costs incurred in collection of the account(s) put on hold.

12 REPRESENTATIONS AND WARRANTIES BY THE PARTIES

The parties represent and warrant to each other as follows:

12.1 Organization and Standing

They are corporations duly organized, validly existing and in good standing under the laws of Kenya, and have the requisite corporate power and authority to own, lease and operate their properties and to transact their businesses as presently conducted and as proposed to be conducted. Both parties are duly qualified to do business and are in good standing in each place and jurisdiction where the nature of the business conducted by them or the ownership, lease or operation of their properties require qualification, provided, however, that they need not be qualified in a jurisdiction in which their failure to qualify would not have a material adverse effect on their operations under this Agreement or their financial condition.

12.2 Authorization

They have all the requisite legal and corporate power to execute and deliver this Agreement and to carry out and perform their obligations under the terms of this Agreement. All corporate action on their parts and that of their officers, directors, and shareholders that are necessary for the authorization, execution, delivery, and performance of all of their obligations under this Agreement have been taken.

12.3 Absence of Conflicting Agreements

Neither the execution and delivery of this Agreement by both parties, the consummation by them of the transactions contemplated hereby, nor compliance by them with any provisions contained herein will (i) conflict with or result in any breach of any provision of their Articles of Incorporation or Bylaws; (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any indenture, mortgage, note, lien, license, government registration, contract, lease, agreement or other instrument or obligation to which either Party is a party or by which either Party or any of their assets may be bound, or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of their properties or assets; or (iii) violate any order, writ, judgment, injunction, decree, statute, ordinance, rule or regulation applicable to them or any of their assets.

12.4 Governmental Consents

All consent, waiver, approval, authorization or permit of, or designation, declaration or filing with or notification to, any governmental or regulatory authority on their parts as required in connection with the valid execution and delivery of this Agreement or the consummation of any other transaction contemplated by this Agreement have been obtained.

12.5 Litigation

There is no pending or currently threatened claim or action, suit, arbitration, proceeding or investigation before any court, arbitrator or government commission or agency against them or against any other person or entity (i) which questions or would affect the validity or enforceability of this Agreement or their right to enter into the same or to consummate transactions contemplated hereby, (ii) which might reasonably be expected to have an adverse effect on their assets or its business, (iii) which might affect their ability to conduct their business as presently conducted or as proposed to be conducted, or (iv) which might result in any change in their business, assets, condition, affairs, operations, properties or prospects, financially or otherwise; nor are they aware that there is any basis for any of the foregoing.

12.6 Legal and Regulatory Compliance

They (i) have complied in all material respects with all laws and regulations applicable to them, their business or the ownership of their assets, including, but not limited to anti-money laundering regulations and anti-terrorist financing regulations, and (ii) have obtained all governmental licenses and permits material to and necessary in the conduct of their businesses, such franchises, licenses and permits are in full force and effect, no violations have been recorded in respect of any such franchises, licenses or permits, and no proceeding are pending or threatened to revoke or limit any thereof. Notwithstanding the foregoing, they will obtain and continue to maintain all governmental licenses and permits material to and necessary in the conduct of their businesses. They are not subject to, or party to, any license, permit, law, rule, ordinance, regulation, order, judgment or decree, or any other restriction of any kind or character, which adversely affects the business practices, operations or condition of their businesses or of any of their assets.

13 ASSIGNMENT

This Agreement shall not be assignable by either Party without the prior written consent of the other.

14 SET OFF AND COUNTERCLAIM

The Client may at any time upon giving reasonable notice to EED LTD deduct and set off against any specified amount due to EED LTD whether under this Agreement or otherwise as a result of the failure of the EED LTD to remit any sums due to the Client.

15 CONFIDENTIALITY AND PUBLICITY

- 15.1 Both Parties agree that in carrying out their obligations under this Agreement a party may have access to the other party's Confidential Information including but not limited to all data, documentation, trade secrets, certain passwords, know how, accounts computer readable data (including but not limited to any software programmes, financial information, product information, analyses, compilations, studies, interpretations, data bases, manuals, procedures, policies, internal systems and controls used, investment strategies) and all information in whatsoever form, tangible or intangible pertaining to the Client's business, or otherwise relevant and pertaining to this Agreement and irrespective as to whether such information is marked "confidential" or "proprietary" or otherwise (herein after referred to as "Confidential Information")
- 15.2 Each of the Parties shall keep confidential this Agreement and shall not disclose to any other person nor use for any purpose any Confidential Information or any information obtained from the other Party or as a result of negotiating, entering into or implementing this Agreement other than information which:
- (a) Is required to be disclosed by operation of law or any requirement of a competent authority PROVIDED ALWAYS that the disclosing Party shall promptly inform the other Party to whom the Confidential Information belongs of any such requirement to enable such Party take any legal measures or otherwise for purposes of protecting its interests; or
 - (b) Is reasonably required to be disclosed in confidence to the Party's professional advisors for use in connection with this Agreement PROVIDED ALWAYS the said Party shall be responsible for ensuring its said professional advisors adhere to the Party's obligation of confidentiality as if such advisors were the receiving Party
- PROVIDED ALWAYS that the Receiving Party's obligation's with regard to the information it holds in confidence will not be transferred to its professional advisors but remain in it; or
- (c) Is or becomes within the public domain (otherwise than through the default of the recipient Party); or
 - (d) Is in the possession of the receiving Party without restriction in relation to disclosure at the date of receipt from the disclosing Party; or

- (e) Is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure.

15.3 All public announcements and / or press release in connection with the subject matter of this Agreement or its implementation shall only be made after mutual consultation and agreement in writing on all the parameters thereof;

15.4 Any breach of this Clause shall entitle the offended Party to terminate this Agreement forthwith in addition to other remedies entitled to it under law.

16 FORCE MAJEURE

16.1 Neither Party shall be liable to the other for any delay in performance or failure to perform its obligations in accordance with this Agreement where such delay or failure is due to circumstances beyond its control and unknown to it at the date of this Agreement, such circumstances including but not restricted to fire, flood, government act, act of God, war, civil unrest, other natural physical disaster, disruption to internet connections, a change or amendment in the applicable law or regulation or in the application or interpretation thereof by any governmental authority charged with the administration thereof or if any official requirement or request (not having the force of law) which shall make it impracticable or impossible for either party to provide the Services in accordance with the provisions of this Agreement whether by reason of such event substantially increasing costs of performing its obligations hereunder or otherwise, (but excluding strikes, labour disputes or malicious damage involving the employees of the affected party) (hereinafter referred to as "force majeure event").

16.2 The affected party shall not be relieved of its obligations hereunder in accordance with clause 15.1 unless, as soon as possible after the start of the force majeure event, the affected party notifies the other party of the force majeure event, the date on which it started, its anticipated duration and the effect of the force majeure event on the affected party's ability to perform its obligations under this Agreement.

16.3 If by virtue of a force majeure event either party shall be prevented from the performance or punctual performance of any of its obligations for a continuous period of ninety (90) days in accordance with the provisions of clause 16.1 either party shall upon the expiry of thirty (30) days of the said period of ninety (90) days be finally released from the further performance of all its obligations under this Agreement and this Agreement may be terminated by either party serving on the other written notice of not less than fourteen (14) days.

17 TERMINATION AND CONSEQUENCES OF TERMINATION

17.1 This Agreement may be terminated:

- (a) By either Party without cause at any time on 30 (thirty) days written notice. The reasons entitling a Party to terminate this Agreement shall be at the terminating Party's discretion.
- (b) By either Party forthwith by seven (7) days written notice to that effect if the other Party shall commit any material breach of its obligations hereunder which is not capable of remedy and/or shall not have been remedied within fourteen (14) days of the other Party having received a written complaint specifying the nature of such breach and requiring its rectification;
- (c) By either Party forthwith by seven (7) days written notice to that effect if the other Party shall go into liquidation other than for the purposes of reconstruction or amalgamation, or shall suffer the appointment of a receiver of any of its property or income or make any deed or arrangements with or composition for the benefit of any of its creditors.

17.2 Upon termination of this Agreement for whatever reason:

- (a) The Client shall immediately pay to EED LTD.
- (b) all arrears of payments, if any, and any other agreed sums due under the terms of this Agreement **PROVIDED THAT** any arrears shall only be payable for any Services provided during the period up to the date of termination of this Agreement; and EED LTD shall immediately pay the client any monies they may be holding on behalf of the client.
- (c) The Parties shall return all Confidential Information and other information, documents, material and data obtained while carrying out the Services pertaining to this Agreement.

17.3 Subject to the provisions of this Agreement, the Parties shall be entitled to exercise any one or more of the rights and remedies given to it under law and under the terms of this Agreement and the determination of this Agreement shall not affect or prejudice such rights and remedies and each Party shall be and remain liable to perform all outstanding liabilities and obligations under this Agreement notwithstanding that the other may have exercised one or more of the rights and remedies against it.

17.4 The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement which expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after

such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

18 AUTHORIZATION TO ENDORSE

EED LTD is authorized to endorse in the name of the Client and to negotiate or deposit in the specified BANK Account and or the suspense Account specified by Client, any and all Cheques, drafts, cash or other forms of payment in respect of a Debt, which come into the possession of EED LTD.

19 NON-SOLICITATION

The Parties hereby covenant and agree that they shall not solicit or entice away or endeavor to solicit or entice away employ or engage any director manager consultant or employee of the other party whether or not such person would commit any breach of contract by reason of leaving the employment and service thereof during this Agreement and for a period of One (1) year after its termination.

20 RESOLUTION OF DISPUTES

- a) If any dispute arises out of or touching and concerning this Agreement or the construction or interpretation of this Agreement the dispute shall be referred, in the case of a dispute on the part of EED LTD to the Head of Credit for the Client and in the case of a dispute on the part of the Client, to the EED LTD Director who will attempt to settle it by negotiation.
- b) If the parties are unable to settle any dispute by negotiation within thirty (30) days, the dispute may be referred to arbitration by either party. A suitable arbitrator shall be agreed upon by the parties, and in the absence of agreement within ten (10) days of either party requesting in writing that the dispute be referred to arbitration the arbitrator shall be appointed by the Chairman of the Chartered Institute of Arbitrators, Kenya Chapter.
- c) Except as stated herein, arbitration proceedings shall be conducted in accordance with the Arbitration Act (No.4 of 1995, Laws of Kenya) or any statute amending or replacing the same.
- d) Every award made under this clause shall be subject to an in accordance with the provisions of the Arbitration Act (Act No. 4 of 1995)
- e) The arbitrator shall be a recognized legal or technical expert with extensive experience of not less than 5 years standing in relation to the matter in dispute. The award or determination of the Arbitrator shall be final and binding upon the Parties.

- f) The seat of the arbitration shall be in Nairobi and the language shall be English.

21 NOTICES

21.1 Any notice or other communication given or made under or in connection with this Agreement shall be made in writing. Any such notice or other communication shall be addressed as hereinafter provided and if so addressed shall be deemed to have been given or made as follows:

- i. If sent by personal delivery, upon delivery at the address of the relevant Party;
- ii. If sent by registered post, five (5) business days after the date of posting provided that proof is given that the notice was properly addressed and duly dispatched by registered post;
- iii. If sent by electronic mail on a Business Day prior to 5.00pm at the time of the transmission and otherwise on the next Business Day
 - a. Provided that if in accordance with the above provisions any such notice or other communication would otherwise be deemed to be given or made outside the normal working hours in the place of service of the notice or other communication it shall be deemed to be given or made at the start of normal working hours on the next usual working day.

21.2 Any notice or communications between the parties shall be delivered to the addresses set out below:

In the case of the Client: -

.....,
P.O. Box

In the case of **ECO- ETHICS AND DEVELOPMENT LIMITED:** -
MATUNDU VILLAS – UNIT 1, WESTLANDS ALONG MATUNDU LANE- OFF SCHOOL
LANE/OR BROOKSIDE DRIVE
P.O. Box 666-00618 Nairobi
Marked for the attention of The Director

21.3 Either party may, by a notice in writing to the other party change its address or facsimile number or email address for the purpose of this Clause 21.

22 ENTIRE AGREEMENT

This Agreement sets forth the entire agreement and understanding between the Client and EED LTD in connection with its subject matter.

23 JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Republic of Kenya.

24 GENERAL

- a) No failure, delay, relaxation or forbearance on the part of either party in exercising any power, remedy or right under this Agreement shall operate as a waiver of such power or right or of any other power or right.
- b) If any provision of this Agreement is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if this Agreement had been executed with the invalid, illegal or unenforceable provisions eliminated. In the event that a provision of this Agreement that is fundamental to the accomplishment of the purpose of the Agreement is held invalid, EED LTD and the Client shall immediately commence good faith negotiations to remedy such invalidity.
- c) EED LTD and the Client acknowledge and agree that this Agreement shall not constitute, create or give effect to a joint venture, pooling arrangement, partnership or formal business organisation of any kind and neither EED LTD nor the Client shall have the right to bind the other without the other's express prior written consent.
- d) Any change to this Agreement shall only be valid if it is in writing and signed by duly authorised officers of the parties.
- e) This Agreement shall be governed by and construed in accordance with the laws of Kenya.

SCHEDULE 1

25 EED LTD RATES/COMMISSION STRUCTURE

The pricing model to be applied is **15 %*** on money collected.

*Prices exclusive of **VAT**

Signed on behalf of

	In the presence of
Name	Name
Title	Title
Signed	Signed
Date	Date

Signed on behalf of

DIRECTOR, ECO-ETHICS AND DEVELOPMENT LIMITED

	In the presence of
Name	Name
Title	Title
Signed	Signed
Date	Date