

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT made _____ day of _____ 2001.

BETWEEN

..... a limited liability company incorporated in the Republic of Kenya of P O Box, Nairobi (the "**Company**") and;

..... of P O Box in the said Republic (the "**Manager**").

WHEREAS

A The Company is the owner of (the "**Lodge**") situated within National Park.

B The Manager has specialized and expert knowledge and experience in the operation and management of hotels and lodges.

C The Company has requested the Manager to manage and operate the Lodge and the Manager has agreed to do so on the terms and conditions herein set out.

NOW THEREFORE in consideration of the terms and of the mutual covenants and conditions herein contained it is hereby agreed between the parties as follows:

1. Appointment:

The Company hereby appoints the Manager and the Manager hereby accepts such appointment as the Manager of the Lodge to manage and operate the Lodge and all activities in connection therewith as are necessary in and usual to similar establishments;

The Manager shall devote all his time and effort on the management of the Lodge and including without limitation all construction and remedial work to be carried on at the Lodge;

The Manager as part of his duties be responsible for all excursions and game drives taken by guests of the Lodge and shall where practicable personally take and guide as many of them as possible;

It is understood and agreed that nothing herein contained shall constitute or be construed to be or create a partnership or joint venture between the Company and the Manager nor shall the Manager be deemed to be an employee of the Company;

The Manager shall report to Mr. [REDACTED] and keep the same apprised as to the day to day running of the Lodge.

The Manager is required to work at such times and for such periods as the efficient and conscientious discharge of his duties require. There are no normal working hours for his employment save that he shall be requested to be on duty for six (6) days in each week.

2. The Term:

2.1 This agreement is for a period of One (1) year (the "Term").

2.2 The Term of this agreement shall be deemed to have commenced on the date of execution.

3. Subject to such directions (if any) as may from time to time be given to the Manager by the board of directors (the "Board") of the Company or [REDACTED], the Manager shall have during the continuance of this agreement the general day to day control and management of the said Lodge business and of the Lodge. Accordingly, the Manager shall have power to do all such things on behalf of the Company which are reasonably required for or in any way concerned with or necessary for the sound and efficient management and control of the Lodge other than the power to borrow money in the name of the Company, assign any rights or obligations of the Company or enter into any contract in the name or on behalf of the Company and otherwise within the limits as to amount and otherwise which may be prescribed by the Company and other than those matters which are by virtue of the provisions of the Laws of Kenya expressly required done by the Company in a general meeting or by its Board. In addition to but without prejudice to the general power and authority hereinbefore conferred, the Manager shall have inter alia the following powers, authorities and discretion:

3.1 to diligently and prudently manage the affairs of the Lodge and to do all in its power to promote, develop and extend the said Lodge business save that Mr [REDACTED] shall be responsible for all

marketing of the Lodge;

- 3.2 To appoint, suspend and dismiss all such staff as the Manager considers necessary and to fix their terms and conditions of employment, remuneration, allowances and bonuses and determine their duties after obtaining the approval of Mr;
- 3.3 To take all such steps as may be necessary or advisable for the proper and efficient maintenance of all buildings, furniture, fixtures and other items and effects of the Lodge;
- 3.4 To establish a purchasing system for the most economic and competitive purchase of supplies and stores including food and beverages, as may be necessary for the proper operation of the Lodge provided always he shall adhere to and comply with the new administration system introduced by Mrr;
- 3.5 To propose and thereafter establish tariffs, prices and rates for the various facilities to be offered by the Lodge provided that the Manager shall from time to time submit to the Board for its approval a policy paper outlining in broad terms the policy followed by the Manager with regard to tariffs, prices and rates and further provided that all such tariffs prices and rates are subject to the approval (where so required) of the appropriate Government Departments;
- 3.6 To install and maintain the accounts of the Lodge's business in proper order and to reflect truly and fairly the financial position of the said business and the results of its operation in conformity with generally accepted accounting principles consistently applied and to submit to the Board and to others as the Board may direct periodical reports statements schedules statistics projected balance sheets relating to the affairs of the said Lodge's business for comments and approval by the Board;
- 3.7 To advise the Board on policy matters generally and to submit periodical reports on operations, administration, and other matters as the Board may direct;
- 3.8 To propose such steps to the Board as will ensure the maximum possible use of available local manpower in the operation of the Lodge's business so as to minimize dependence on expatriate personnel to the extent consistent with efficient and viable operations;

At all times to be guided by and work with Mrr within the frame-work of the budgets and other financial projections as agreed by the Board and to provide assistance and guidance in the preparation of such financial criteria;

To not run, operate or own any other businesses including the shop within the Lodge during the Term.

The Manager shall exercise due diligence and care in carrying out his duties under this agreement but the Manager shall not be responsible for any action or failure of performance of any employee provided or recruited by the Manager unless the Manager is proved to have failed to exercise due diligence in the selection or monitoring of such employee(s).

The Company shall reimburse to the Manager all reasonable costs and other expenses incurred on the Company's business subject always to the Manager providing receipts for such costs and where possible shall obtain agreement from Mr. prior to expending the same.

6. Notwithstanding anything herein contained this agreement may be terminated with immediate effect by three (3) months written notice given by one party to the other.

7. 7.1 During the term of this agreement the Manager shall be entitled to a monthly management fee in accordance with Schedule 1 hereof (the "Management Fee").

The Management Fee shall be payable at the end of each calendar month to the Manager.

The Management Fee is payable gross and the Manager shall be responsible for all taxes and deduction due on such amount and shall account directly to the Kenya Revenue Authorities in respect of the same;

The Manager shall issue a monthly invoice bearing his PIN number.

The Manager shall ensure he is registered for VAT.

Throughout the Term of this agreement the Manager shall procure and maintain adequate insurance coverage in the Company's name of the Lodge and all other of the Company's assets in the Lodge against loss or damage from risks of all nature for which insurance is necessary or desirable for enterprises of a similar

character as a Lodge and provide evidence of the same to the Board.

The Manager shall employ with the approval of the Board all future staff engaged for work in the Lodge after the date of commencement hereof for and on behalf of the Company provided always that notwithstanding that the Company is the ultimate employer of all staff of the Lodge the Manager shall be solely responsible for the control of such staff including their engagement and dismissal and terms of service.

The Manager shall obtain and maintain his own work permit to entitle him to perform his obligation hereunder during the Term of this Agreement.

The Manager shall arrange with the approval of Mr and contract for all advertising which it may deem necessary for the operation of the Lodge and an estimate of the advertising costs for each financial year of the Lodge shall be included in the annual budget and approved in advance by the Board.

11.1 The Manager shall not at any time during the Term of this Agreement either on his own behalf whether alone or in partnership or as an employee of any other person firm or corporation or as director of a company engage in any trade business or profession in the business of tourism, guiding, hotelier or safaris.

11.2 The Manager shall well and faithfully serve the Company and in particular (but without restricting the general nature of his duty to the Company) shall not at any time while contracted hereunder:

disclose or make use of any trade secrets business methods or information of the Company which he knows or ought to have known were treated as confidential by the Company;

canvass any customer or client of the Company or treat with any supplier or business associate of the Company on behalf of himself or of any other firm or corporation whether existing or proposed with a view to entering into any contract either while the Manager's employment continues or after it has ended;

approach any employee of the Company with a view to his or her ceasing to be employed by the Company;

In the course of his contract by the Company the Manager will have dealings with the

customers of the Company and in order to safeguard the Company's goodwill the Manager agrees:

That he will not at any time during the two years immediately following the termination of his contract whether on his own account or on behalf of any other person firm or corporation solicit custom from deal with or supply in connection with the trade or business of any person firm or corporation who or which was a customer of the company at any time during the period that the Manager was contracted by the Company;

That he will not at any time during the twelve months immediately following the termination of his contract whether on his own account or on behalf or in the course of employment by any other person firm or corporation engage in or undertake the trade or business of tourism, guide or safari operator within a radius of one hundred miles of the Lodge where the Company trades;

In the course of his contract the Manager will have access to and be entrusted with information as to the policy organisation management future plans and staffing of the business of the Company as to the persons with whom the Company has dealings and upon what terms as to the nature origin and composition of the Company's products and stock and as to the manufacturing repairing adapting treating and cleaning processes which the Company undertakes all of which information is confidential. To protect the confidentiality of that information and without prejudice to every other duty which the Manager has to keep secret all information given to him or gained in confidence the Manager agrees:

Not at any time whether during or after the end of his contract by the Company (unless expressly so authorised by the Company or as a necessary part of the performance of his duties hereunder) to disclose to any person or to make use of any such confidential information;

To deliver to the Company before the end of his contract or if that contract ends without notice immediately after its end all documents belonging to the Company which are in his possession including documents made by him in the course of his contract;

Not at any time to make any copy abstract summary or précis of the whole or any part of a document belonging to the Company except when required to do so in the course of his contract in which event the copy abstract summary or précis shall belong to the Company;

Not within twelve months after the end of his contract by the Company either directly or indirectly whether on his own behalf or as a partner or employee of any person firm or corporation to carry on the trade or business of tourism, guide or safari operator within radius of one hundred miles of the Lodge;

12. The Manager hereby indemnifies and agrees to keep indemnified the Company from all and against all actions proceedings costs damages claims demands taxes and liabilities which may be taken made or demanded against the Company by any third party arising out of or alleged to arise out of any act or omission of the Manager or from any authority due to the Manager managing the Lodge.

13. This agreement shall not be assigned by either party without the written consent of the other except that the Company may assign its rights and obligations under this agreement or any of them without such consent to any company with which it is associated or which is its subsidiary or with which it becomes combined or associated in the course of its amalgamation or reconstruction.

14. This agreement may only be varied by agreement in writing of both parties.

This agreement shall be construed and interpreted in accordance with the Laws of Kenya.

In the event of any disagreement between the parties, an arbitrator agreed upon by the parties shall be appointed and failing such agreement shall be appointed at the request of either party by the Chairman of the Chartered Institute of Arbitration (Kenya Branch).

This agreement shall be binding upon the parties respective successors and assigns.

IN WITNESS whereof the parties have duly executed this agreement the day and year first hereinabove written.

SIGNED SEALED AND DELIVERED)

by)
in the presence of: -)

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Director)

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)
Director/Secretary)

SIGNED by in the)
presence of: -)

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)
)
Advocate)

Drawn By: