

DEED OF GUARANTEE

WHEREAS:

KENYA COMMERCIAL BANK LIMITED a limited liability company incorporated in Kenya and having its registered office at Nairobi of Post Office Box Number 30081 Nairobi (hereinafter called “the Lender”) has at the request of **KARUME INVESTMEMNTS LIMITED** of Post Office Box Number 30594 Nairobi agreed to grant a Term Loan of Kenya Shillings Fifty Million Seven Hundred Thousand Only (KShs. 50,700,000/=) to **JACARANDA HOTEL LIMITED** (hereinafter called “the Chargor”) and has in fact allowed a draw down of the said loan.

It was a term of approval of the said loan that **KARUME INVESTMENTS LIMITED** (hereinafter called “the Guarantor”) would guarantee the repayment to the Lender by the Chargor.

NOW IN CONSIDERATION of the said loan advanced by the Lender to the Chargor we **KARUME INVESTMENTS LIMITED** hereby unconditionally guarantee the due the repayment of the of the loan and will pay to the Lender immediately on demand any money payable hereunder upon default of the Chargor.

WE FURTHER AGREE that this guarantee shall not be affected by any time or other indulgence which the Lender may see fit to grant to the Chargor.

THIS GUARANTEE shall continue in effect until all sums whatsoever payable by the Chargor under the Charge between the Lender and the Chargor have been finally paid in full.

IN WITNESS WHEREOF we have caused our Common Seal to be hereunto affixed this day of Two Thousand and One.

SEALED with the Common Seal of)

KARUME INVESTMENTS LIMITED)

in the presence of)

)

DIRECTOR)

)

DIRECTOR/SECRETARY)

)

)

DRAWN BY:
RACHIER & COMPANY
ADVOCATES
22ND FLOOR, ANNIVERSARY TOWERS
UNIVERSITY WAY
NAIROBI