

PLEDGE AGREEMENT

THIS AGREEMENT made this _____ day of _____ 2005 between STEVEN THOMAS, of P.O. Box 1283, Karen Nairobi (hereinafter referred to as the "Debtor") and EDWARD ROMBO, an advocate of the High Court of Kenya, of P. O. Box 2704-00100 Nairobi (hereinafter referred to as the "Secured Party").

WHEREAS:

The Secured Party has performed and provided legal services to the Debtor at the Debtor's request for an agreed fee of Kshs 100,000/-, and the Debtor being unable to immediately settle the said legal fee owing, (which the Debtor hereby agrees and acknowledges is due and owing) the Debtor has agreed to pledge to Secured Party and grant to Secured Party a security interest in the Collateral (as hereinafter defined); and

the Debtor and Secured Party desire to execute and deliver this Agreement;

NOW, THEREFORE, in consideration of the benefits accruing to the Debtor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor covenants and agrees with Secured Party as follows:

This Agreement is for the benefit of Secured Party to secure the prompt and complete payment and performance of all of the Debtor's obligations to settle and pay to the Secured the said legal fees of Kshs 100,000/- within 45 days (such obligations are collectively referred to herein as the "Obligations").

As used herein, the term "Collateral" shall mean that motorcycle known as Honda XR 200 of Chassis Number 04-5001512 and Engine Number L1885 se 5013871 including without limitation, all right, title and interest that the Debtor now has or may hereafter have, be possessed of, or entitled to or hereafter be acquired by the Debtor in accounts receivable, inventory, equipment, chattel paper, documents of title, securities and instruments, intangibles, money, books and records and all replacements of, substitutions for and increases, additions and accessions to the foregoing, together with all proceeds thereof, and any reference to "Collateral" shall be deemed a reference to "Collateral or any part thereof" ..

To secure the prompt and complete payment and performance when due of all of the Obligations, the Debtor hereby pledges to Secured Party and grants to Secured Party a security interest of first priority

in all of the right, title and interest of the Debtor in all of the Collateral.

Upon the failure of the Debtor to make payments in accordance with the terms of the Note, or upon the occurrence of a default of any provision of the Note or at any time during the continuance of such default, any one of which shall constitute an "Event of Default", Secured Party, may:

take possession of the Collateral or any part thereof with or without process of law; and

dispose of the Collateral as Secured Party may choose, so long as every aspect of the disposition including the method, manner, time, place and terms are commercially reasonable.

The Debtor shall not sell or otherwise dispose of or grant any option with respect to, or pledge or otherwise encumber, any of the Collateral or any interest therein.

The Debtor covenants and agrees that for the duration of this Agreement the Debtor shall: defend Secured Party's right, title and security interest in and to the Collateral as a first priority security interest against the claims and demands of all persons whomsoever; and shall not grant any other lien or security interest on any of the Collateral.

The Debtor hereby appoints Secured Party as the Debtor's attorney-in-fact to exercise at any time after the occurrence of an Event of Default all or any of the powers and authorities conferred on or reserved to Secured Party by or pursuant to this Agreement or applicable law, and (without prejudice to the generality of any of the foregoing) to seal and deliver or otherwise perfect any deed, assurance, agreements, instrument or act as Secured Party may reasonably deem proper in or for the purpose of exercising any of such powers and authorities. The Debtor hereby ratifies and confirms, and hereby agrees to ratify and confirm, whatever lawful acts Secured Party shall do in the exercise of the power of attorney granted to Secured Party pursuant to this Section 8, which power of attorney, being given for consideration, is irrevocable.

This Agreement shall create a continuing security interest in the Collateral and shall be binding upon the successors and assigns of the Debtor and shall inure to the benefit of and be enforceable by Secured Party and Secured Party's permitted successors and assigns.

In the event that any provision of this Agreement shall prove to be invalid or unenforceable, such provision shall be deemed to be severable from the other provisions of this Agreement, which shall remain binding on the parties hereto.

This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements or understandings between the parties related to such matters.

Upon such time, if any, as the Debtor shall pay, satisfy or otherwise discharge in full the Obligations, this Agreement shall be null and void and the security interests granted hereunder shall automatically terminate.

IN WITNESS WHEREOF, the Debtor and Secured Party have caused this Agreement to be executed as of the date first above written.

SIGNED by **STEVEN THOMAS**)
in the presence of:-)
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SIGNED by **EDWARD ROMBO**)
in the presence of:-)
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DRAWN BY:
ROMBO & COMPANY ADVOCATES
SHANKARDASS HOUSE, NEW WING, 1ST FLOOR,
MOI AVENUE,
P.O BOX 2704 – 00100,
NAIROBI.