

GUARANTEE AND IDEMNITY

CONSIDERATION IN CONSIDERATION of you CREDIT BANK LIMITED of P O BOX 12345 Nairobi in the Republic of Kenya (hereinafter called "the Company" which expression shall include and extend to its successors and assigns) granting or continuing to grant at our express request financial facilities to VENTURE LIMITED BOX 70171 Nairobi in the said Republic (hereinafter called "the Customer which expression shall include its successors and assigns) by way of loan and otherwise

GUARANTORS I the undersigned:-

SIMPLE SIMON of P. O. BOX 70171 Nairobi aforesaid; and

ACKNOWLEDGEMENT FIRST do acknowledge notwithstanding that the duration and extent of such facilities are in the Company's sole discretion at any time withdraw curtail or vary the same, nevertheless the execution by myself of these presents is a condition precedent imposed by the Company without which no such facilities whatsoever will be granted or continued by the Company to the Customer for any period of time whatsoever: and

SECONDLY do further acknowledge that my intention in making such request and executing this Guarantee and Indemnity is that the Company shall suffer no loss by reason of its affording or continuing to afford to the Customer any such facilities as aforesaid:

THIRDLY in pursuance of such acknowledgements and in fulfillment of such condition precedent as aforesaid:

GUARANTEE HEREBY AGREE AND DECLARE AS FOLLOWS: -

I shall pay and satisfy to the Company on demand in writing all and every sum or sums of money which are now or at any time hereinafter (subject only as hereinafter expressly provided) shall be owing to the Company by the Customer on account of any loans credits or advances made or given to or for the accommodation of the Customer or for any moneys or other facilities guaranteed by the Company for an on behalf or at the request of the Customer in any other way whatsoever together with in all cases aforesaid all interest (at such rate or rates as may from time to time be charged to or payable by the customer under any arrangements from time to time in force between the Customer and the Company) other charges including legal charges as between the Advocate and client occasioned by or incident to this or any other security held by or offered to the Company for the same indebtedness or by or to the enforcement of any such security and including:-

In the case of the liquidation of the Customer all sums which would at any time have been owing to the Company by the Customer if such liquidation had commenced at the time when the Company received written notice thereof and notwithstanding such liquidation meanwhile:

all money owing or liabilities incurred to the Company notwithstanding that the borrowing or incurring of such liabilities or any other arrangement between the Company and the Customer may be invalid or in excess of the powers of the customer or of any director attorney agent or other person purporting to act on behalf of the Customer and notwithstanding any other irregularity or invalidity in such borrowing or incurring such liabilities and in addition we shall pay to the Company interest on all sums recoverable from myself pursuant to this Guarantee from the date of demand upon myself or the Company at such rate or rates as may from time to time be charged to or payable by the Customer under any arrangements from time to time in force between the Customer and the Company PROVIDED THAT notwithstanding the generality of

this provision and without prejudice to any other provision of these presents, I HEREBY EXPRESSLY DECLARE that my liability hereunder shall extend to all moneys and liabilities of whatsoever nature owing or incurred by the Customer to the Company in any account and on whatsoever footing whether the same be contracted arranged advanced or incurred before or after the date hereof and whether or not the contract facility or arrangement by virtue whereof the same shall be due or incurred shall have been within the knowledge or contemplation of us or any of us at anytime.

CONTINUING SECURITY 2. This Guarantee shall be a continuing security binding me and his executors administrators and legal representatives and shall remain in force as such notwithstanding any change in the name or style of the Customer and it shall not be considered as satisfied notwithstanding any intermediate payment or satisfaction of account or other payment or liquidation at any time hereinafter of the whole or any part of any sum or sums of moneys due from the Customer to the Company as aforesaid but shall (subject only as here expressly provided) extend to cover any sum or sums of money which shall at any time for the time being constitute the balance due from the Customer to the Company on whatsoever footing as hereinbefore mentioned. No payment security or assurance which may be avoided under any statute and no discharge settlement or release given or made on the faith of any such payment security or assurance shall prejudice the right of the Company to recover from each of us to the full extent of this Guarantee and my liability for the amount of money which is due from the Customer to the Company on each day shall be deemed to be a new debt or liability first accruing on such day; and I agree that all moneys not recoverable from me on the footing of this Guarantee for

any reason or circumstance whatsoever known to the Company or not shall nevertheless be recoverable from me and as

principal debtor and shall be repaid by myself on each demand.

DEATH OR 3. This Guarantee shall remain in force as continuing
DISABILITY OF security notwithstanding that I may die or be
GUARANTOR under a disability and my personal or legal
representatives shall be bound by this Guarantee accordingly and demand
pursuant to this Guarantee may be made by the Company on such personal
or legal representatives accordingly until such legal or personal
representatives have withdrawn from this Guarantee in accordance with the
Clause 13 of these presents.

LIABILITY OF 4. Notwithstanding its discontinuance as aforesaid or
REMAINING OR as hereinafter provided by myself or my personal
EXECUTING or legal representatives this Guarantee shall
GURANTORS nevertheless remain binding thereafter as a continuing
security notwithstanding that I may fail to execute this Guarantee it shall
nevertheless bind.

NO PROOF IN 5. This Guarantee shall be construed and take effect
COMPLETION as a guarantee of the whole and every part of the principal
moneys and interest and other liabilities owing and to become owing and
incurred and to be incurred as aforesaid and accordingly not to be entitled as
against the Company to any right of proof in the liquidation or insolvency of
the Customer or any other right of a surety discharging liability in respect of
the principal debt unless and until the whole of such principal moneys and
interest and other liabilities shall have first been completely discharged and
satisfied; and further for the purpose of enabling the Company to sue the
Customer or prove against it for the whole of the money and liabilities as
aforesaid or to preserve intact the liability of any other party the Company
may at any time place and keep for such time as it may think prudent any
moneys received recovered or realized hereunder to one or more separate or
suspense accounts to the credit of all or any one of such other person or
persons
or transaction if any as it shall think fit without any intermediate obligation
on the part of the Company to apply the same or any part thereof in or
towards the discharge of the moneys owing as aforesaid or any intermediate
right to sue the Customer or prove against it in competition with or so as to
diminish any dividend or other advantage that would or might come to the
Company or to treat the liability of the Customer as diminished.

EVIDENCE OF 6. I agree that the Company's statement of the
INDEBTENESS Customer's accounts or account with the Company from
time to time shall be good and sufficient evidence in Court and elsewhere my

liability hereunder provided such statement has been submitted to me and has such not been protested within seven days of its receipt any such statement sent by registered post at the addresses herein before mentioned shall be deemed for the purpose of this Guarantee and Indemnity to have been received forty-eight hours after posting and in providing such posting if shall be sufficient to prove that any such statement was properly stamped and addressed and put into the Post office.

NO COUNTER SECURITY WITHOUT CONSENT 7. Either I have taken in respect of my liability hereunder and either I shall without the prior written permission of the Company take from the Customer any promissory note bill or exchange mortgage charge or other counter-security whether merely personal or involving a charge on any property whatsoever of the Customer whereby I or any person claiming through me by endorsement assignment or otherwise would or might on the liquidation or insolvency of the Customer increase the proofs in such bankruptcy or liquidation or diminish the property distributable among the creditors of the Customer; and as regards any such counter- security as aforesaid which I may have taken or may take with such consent as aforesaid the same shall be a security to the Company for the fulfillment of our joint and several obligations hereunder and shall forthwith be deposited with the Advocates of the Company for that purpose.

INDULGENCE 8. The Company may without giving notice to me at Any time without prejudice to this Guarantee and without discharging or in any way affecting liability hereunder:-

determine vary or increase any credit to the Customer;

grant to the Customer or to any other person any time or indulgence:

take vary deal with exchange release modify or abstain from perfecting or enforcing any securities or other guarantees or rights which the Company may now or hereafter have from or against the Customer or any other person;

compound with the Customer or with any other person;

make any other arrangements with the Customer or any other person.

INSOLVENCY 9. No assurance security or payment which may be avoided under any enactment relating to liquidation or insolvency and to release settlement or discharge which may have been given or made on the faith of any such assurance security or payment shall prejudice or affect the Company's right to recover from me to the full extent of this Guarantee.

GUARANTEE 10. This Guarantee shall be in addition to and shall

NOT PREJUDICED BY OTHER SECURITIES not in any way prejudice or affected by any collateral or other security now or hereafter held by the Company for all or any part of the moneys and liabilities hereby guaranteed nor shall such collateral or other security or any lien to which the Company may be otherwise entitled or the liability of any person or persons not parties hereto for all or any part of the moneys and liabilities hereby secured be in anywise prejudiced or affected by this present Guarantee; and the Company shall have full power at its discretion to give time for payment to or to make any other arrangement with any such other person or persons without prejudice to this present Guarantee or any liability hereunder; and all moneys received by the Company from the Customer or any person or persons liable to pay the same may be applied by the Company in its sole discretion to any account or item of account or to any transaction to which the same may be applicable; and nothing herein contained otherwise than as herein before expressly provided shall operate to merge or extinguish the liability under any bill or bills of exchange accepted or endorsed by him or the Customer of which the Company is the drawer or holder in due course and this Guarantee shall not prejudice the Company's rights or remedies under any such bill or bills.

INDEMNITY 11. In addition to the Guarantee herein before stated and for the consideration aforesaid I hereby further undertake to indemnify and keep fully and effectual indemnified the Company against all losses damages costs charges and expenses which the Company may at any time suffer by reason of any breach of contract on the part of the Customer in discharging any debt or other liability to the Company whether actual or contingent of any kind whatsoever and in the event of any such debt or other liability being found void or unenforceable as against the Customer by reason of incapacity limitation of actions or any other reason whatsoever I shall be liable to the Company as principal debtor in all such losses damages costs charges and expenses as aforesaid and we hereby expressly declare that this Indemnity shall also be subject to the provisions of Clause 1 of these presents in so far as such provisions are applicable to an indemnity.

WITHDRAWAL 12. I shall be at liberty at any time to withdraw from All future liability under this Guarantee and Indemnity without reducing or terminating the liability hereunder upon expiration of Thirty days' notice in writing given to the Company by her and upon satisfaction to the Company by myself my liabilities (if any) to the Company hereunder at the date of such expiration of such notice and in the event of being under a disability then my legal or personal representatives shall be at liberty to exercise a like power of withdrawal.

LIEN 13. I agree that in respect of liability hereunder the

Company shall have a lien on any securities or documents of title belonging to me and now or hereafter held by the Company whether in safe custody or otherwise howsoever for repayment by us of the moneys due to the Company under this Guarantee.

SET OFF 14. The Company may at any time and without notice debit any one or more of the accounts with the Company with any sum or any part thereof, which may become due to the Company under this Guarantee and set off any sum due from the Company against my liability hereunder.

FRESH ACCOUNTS 15. In the event of this Guarantee ceasing from any cause whatsoever to the binding me as a continuing security the Company shall be at liberty without thereby affecting its rights hereunder to open a fresh account or accounts and to continue any then existing account with the Customer and no moneys paid from time to time into any such account or accounts by or on behalf of the Customer shall on settlement of any claim in respect of this Guarantee be appropriated towards or have the effect of payment of any part of the moneys due from the Customer at the time of this Guarantee ceasing to be so binding as a continuing security or of the interest thereon unless the person or persons paying in such money shall at the time in writing direct the Company specially to appropriate the same to that purpose.

NOTICE 16. Any notice or demand to be given or made to me may be duly given if sent by prepaid post letter to the person to whom the same is to be given at her address herein written or at her last known address and shall be effectual notwithstanding any change of address or death and notwithstanding the return to the Company of the letter concerned and such notice of demand shall be effective for all purposes forty-eight hours after the posting thereof and in providing service by post it shall be sufficient to prove that the letter containing the notice or demand was properly stamped addressed and put into the Post office.

IN WITNESS WHEREOF I have hereunto set my hand and seal this day of One Thousand Nine Hundred and Ninety Nine.

SIGNED SEALED AND DELIVERED by }
The said SIMPLE SIMON }
In the presence of: }
 }
 }
 }