

DATED THIS 15TH DAY OF AUGUST 2013

7

AGREEMENT FOR SALE AND PURCHASE OF VIP SHARES IN IPTL

BETWEEN


VIP ENGINEERING AND MARKETING LIMITED

AND


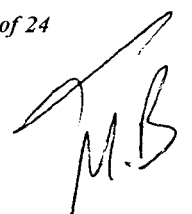
PAN AFRICA POWER SOLUTIONS (T) LIMITED

DRAWN BY:-

Bulwark Associates Advocates,
Plot No. 158, Mikocheni "B",
Bima Street, Off-Mwai Kibaki Road,
P. O. Box 32032,
DAR ES SALAAM,
United Republic of Tanzania
Tel. +255-22-2780731
Fax: +255-22-2780361


19.08.2013





M.B

AGREEMENT FOR SALE AND PURCHASE OF VIP SHARES IN IPTL

This AGREEMENT is made at Dar es Salaam, Tanzania, this 15th day of August, 2013

BY and **BETWEEN**

A. **VIP Engineering and Marketing Ltd.**, a private Limited Liability company incorporated under the laws of the United Republic of Tanzania, with its corporate seat in Dar es Salaam, Tanzania, hereby duly represented by James Burchard Rugemalira (hereinafter called "**VIP**", which expression shall include VIP's successors, beneficiaries, assignees, or agents, if any) of one part;

AND

B. **Pan African Power Solutions (T) Ltd**, a private Limited Liability Company incorporated under the laws of the United Republic of Tanzania with its Corporate seat in Dar es Salaam, Tanzania hereby duly represented by its only two directors, Harbinder Singh Sethi and Manraj Singh Bharya, (hereinafter called **PAP**, which expression shall include PAP's successors, beneficiaries, assignees, or agents, if any) of the other part;

RECITALS

WHEREAS:-

(a) VIP holds 30% of the shares in Independent Power Tanzania Limited (hereinafter called **IPTL**), a private limited liability company incorporated under the laws of the United Republic of Tanzania and with its corporate seat in Dar es Salaam, Tanzania, since its incorporation in 1994.

AND

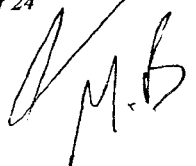
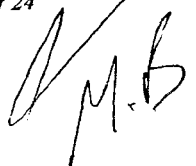
(b) MECHMAR holds the remaining 70% of the shares in IPTL since its incorporation in 1994.

AND

(c) In 2000, Mechmar and VIP conflicted themselves on grounds that VIP being the minority shareholder of IPTL was being oppressed by the majority shareholder, MECHMAR due to MECHMAR, inter alia, foisting IPTL with fictitious and fraudulent debts.

AND

(d) The conflict culminated into VIP petitioning the High Court of Tanzania at Dar es Salaam (interchangeably "**the High Court**" or "**the High Court of Tanzania**") on 25th February 2002 vide Miscellaneous Civil Cause No. 49 of 2002 ("the winding up petition"), seeking, inter alia, winding up of IPTL; or an Order directing a party

opposed to winding up of IPTL to buy VIP's 30% Shares in IPTL for US\$ 31,272,800.00, which was the amount NSSF was willing to pay VIP for buying VIP's 30% shares in IPTL had MECHMAR not defaulted in registering with BRELA the payment in kind by VIP to IPTL of USD. 13.5 million for VIP's 30% shares in IPTL.

AND

- (e) On **25 February 2002**, VIP also averred to the High Court of Tanzania that its aim in applying for the appointment of a Provisional Liquidator of IPTL was to avoid interruption of power supply from the IPTL Power Plant as and when required by TANESCO and at the same time to protect VIP from continued manipulations during the pendency of the Petition). And, on 24th September 2004, VIP lodged an interlocutory application with the High Court, specifically seeking, inter alia, consolidation of its interlocutory application for appointment of Official Receiver and the Provisional Liquidator of IPTL.

AND

- (f) Eventually, on 16th December, 2008, the High Court (Madam Oriyo, J as she then was) issued an Order, subjecting IPTL to provisional liquidation and appointing the Official Receiver as the Provisional Liquidator of IPTL to avoid interruption of power supply from IPTL Power Plant as and when required by TANESCO and to protect VIP from continued manipulations during the pendency of the Petition, thereby granting the VIP's application.

AND

- (g) In 2005, Standard Chartered Bank Plc., a public company incorporated under the laws of England and Wales and with its corporate seat in London (UK) and branches located, *inter alia*, in New York (USA), claimed to have entered into an agreement, through its subsidiary and agent Standard Chartered Bank (Hong Kong) Limited, a company incorporated under the laws of Hong Kong, China, (hereinafter: **SCB**) with Danaharta Managers (L) Ltd, a company incorporated under the laws of Malaysia, (hereinafter: **Danaharta**) by which it purportedly bought on **4th August 2005**, on an "as is where is" basis, the loan facility provided to IPTL under a 1994 Loan Facility Agreement between IPTL and the original lenders (a Malaysian bank syndicate).

AND

- (h) On **21st November 2008**, MECHMAR requested the High Court of Tanzania to order that VIP be paid its alternative remedy of **US\$ 31,272,800.00** instead of winding up but VIP refused and on **16th December 2008** the High Court (Oriyo, J. as she then was)

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agreed with VIP and appointed a Provisional Liquidator of IPTL to protect IPTL Assets and to investigate VIP's allegations of oppression and fraud in IPTL.

AND

- (i) By a letter dated **28th November 2005**, VIP immediately informed SCB that VIP did not recognize the validity of any transfer of IPTL rights and securities to SCB, following SCB's Notice to IPTL, MECHMAR and VIP on **23 November 2005 almost 7 years after** VIP had presented the petition for winding up IPTL at the High Court of Tanzania on 25 February 2002.

AND

- (j) On **15th May 2009** and on **15th December 2009** the Provisional Liquidator of IPTL produced two interim reports which found that MECHMAR in conspiracy with Wartsila (the builder of the plant) and the Original Lenders to IPTL had oppressed VIP and committed various types of frauds in IPTL.

AND

- (k) Both VIP and the Provisional Liquidator of IPTL (the PL) have disputed in the courts that SCB has validly become a creditor of IPTL let alone becoming a secured creditor that SCB purports to have become following its agreement with Danaharta in that: (i) SCB did not fulfill the contractual and statutory requirements to take over the loan, such as obtaining leave of the High Court of Tanzania for the transaction, (ii) SCB knew or could have known, when it purportedly took over the loan, that the loan was fictitious and fraudulent, (iii) the securities connected to the loan do not have backing in law under Tanzanian law hence null and void, and (iv) SCB is knowingly inflating and overstating the amounts owed under the Loan Facility Agreement, which have been or could have been paid off already entirely or in a much bigger part than SCB is wrongfully asserting in the courts.

AND

- (l) VIP has conviction that it has suffered very substantial damage and loss as a result of SCB's continued direct and indirect interferences with the Winding up Proceedings of IPTL since 2005, and its false claim to have legally provable interest in the shares of IPTL's owners, including VIP. Such interferences include, but are not limited to, (a) submitting endless petitions and other requests and motions to the courts in Tanzania, without any standing in those courts, in SCB's attempts to delay and derail the ongoing Winding Up Proceedings and (b) commencing arbitrations, as of 2010, with the International Centre for Settlement of Investment Disputes (**ICSID**) in Washington DC (USA) against the Government of Tanzania and against IPTL's main debtor, Tanzanian

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Electric Supply Company Limited (**TANESCO**), wrongfully representing to the ICSID tribunals that SCB had stepped into the shoes of Mechmar, VIP and IPTL as secured lender and, thereby, converting VIP and IPTL assets.

AND

- (m) On **11th July 2013**, the Minister of Energy and Minerals, Hon. Dr. Prof. Sospeter Muhongo, (MP) invited VIP to submit to him the amount of money which if paid, VIP would conclusively settle VIP's claims arising from the IPTL Disputes whereupon VIP wrote to the Minister raising 11 questions and proposing to be paid **US\$ 95million** by the **31st July 2013** for the Plant and future receivables from the PPA and **US\$ 465million** for past damages.

AND

- (n) On **15th July 2013**, VIP submitted to the Minister of Energy and Minerals justification of the **USD 465million** past damages figure against SCB PLC; and on **2nd August 2013**, the Minister of Energy and Minerals gave to VIP, SCB's response to VIP's questions dated **11 July 2013** and SCB also raised questions to be answered by VIP.

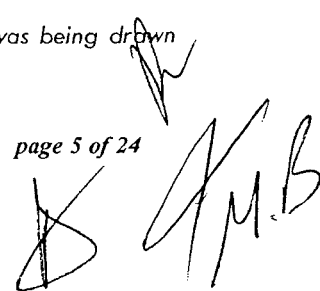
AND

- (o) On **13 August 2013**, VIP wrote to the Minister of Energy and Minerals, vide Ref VIPEM/JB/JK/26/2013 answering SCB's questions and commenting upon SCB's answers dated **2nd August 2013** and VIP requested the Minister to inform SCB that VIP is willing to accept a compromise payment of **USD 376.3million** by **24th August 2013** for VIP to withdraw all past claims for damages against SCB PLC otherwise VIP shall commence a Civil Suit under tort of negligence/fraud against SCB PLC for not less than **USD 485million** in the High Court of Tanzania to whose jurisdiction both VIP and SCB PLC have already told the New York District Court that they will submit.

AND

- (p) Commenting upon SCB's Answer to question 1 VIP stated:

*1: 1 VIP does not agree with SCB's A.1 answer of Q 1. First it should be observed that the numbers that have been provided by MECHMAR, Danaharta and SCB have never been consistent. No IPTL A/Cs have ever been approved by a legally constituted minimum forum of the IPTL Board of Directors. VIP understands that by **9th April 1998** the drawn down amount against the IPTL Loan was **US\$ 84.0million**. This is the Debt amount that was verified and approved by the ICSID Arbitration Tribunal in ICSID Case No. 98/8 between TANESCO and IPTL. Consequently on a 70%/30% Debt/Equity Ratio basis that was being supervised by the original lenders, the IPTL Equity contributions both in cash and in kind amounted to US\$ 36.0million which was contributed in kind by VIP **US\$ 13.5million** since 1996 and by MECHMAR in kind and in cash **USD 22.4million** as and when the **US\$ 84.0million** Capital loan was being drawn*



upon. Bank Interest amounted to **USD 26.0million**. Total original IPTL Debt to the Banks that can be recognised by VIP was **USD 110.0million**. This should have already been repaid from net capacity revenues amounting to **USD 158.0million** paid by TANESCO to MECHMAR on behalf of IPTL by 15th May 2009 since commercial operations of IPTL on 15th January 2002.

AND

(q) Commenting upon SCB's Answer to question 1.2 VIP stated:

1.2 Noted that Danaharta decided to sell the fictitious IPTL Loan to a Bank that accepted to take the risk of "as is where is". SCB even agreed to 'take over' the loan with the explicit agreement that Danaharta did not represent or warrant in any way whatsoever the loan. Danaharta did explicitly not represent or warrant that the loan existed, that the loan was lawful, that the loan was secured, or that the loan was enforceable. SCB was responsible for its own due diligence investigation. If SCB had performed a minimally correct due diligence research (which VIP is not aware of), it would and should have found out that the loan could not exist any more, that the debt resulting from the loan was under court investigation for fraud as part of the winding up proceedings and that any novation of the Facility Agreement under the circumstances and without the court's leave was void. However, SCB neither asked VIP nor the High Court about the status of the loan, its existence or its lawfulness, thus deliberately or at least recklessly acquiring a dirty debt.

AND

(r) Commenting upon SCB's Answer to question 1.3 VIP stated:

1.3 Noted that Danaharta actually off loaded the dirty debt and it had null and void rights and its liabilities to assign to SCBHK.

AND

(s) VIP also stated that the issue of who owns MECHMAR's 70% Shares in IPTL should not be allowed to delay finalization of the Sale of VIP's 30% Shares in IPTL for VIP to withdraw the Petition for Winding up IPTL to allow IPTL to fully provide to the National Grid the urgently required Power.

AND

(t) PAP has represented and warranted to VIP that it indirectly bought MECHMAR's Shares in IPTL from PIPER LINKS INVESTMENTS LIMITED as a bonafide purchaser since the year **2011** and that transaction was not only sanctioned but validated by MECHMAR ; and SCBHK being cognizant of that fact, several times signed Agreements with PAP (copies of which PAP exhibited to VIP) attempting to sell to PAP for **US\$ 75.0million** the debt which SCBHK purports that it is owed by IPTL;

AND



(u) Both VIP and PAP have come to the conclusion that SCB is not a Creditor of IPTL as it claims to be and that both VIP and PAP reserve their full rights to take appropriate legal actions against SCB including but not limited to bringing claims for damages against SCB PLC in the High Court of Tanzania.

AND

(v) PAP has declared to VIP that it is willing and able to buy 30% of VIP Shares in IPTL against the Price as defined in this Agreement, representing VIP's 30% Share and Future Interests in IPTL, as defined in this Agreement and on condition, among others, that **VIP Notifies the High Court of Tanzania (Utamwa, J.) that it is withdrawing its winding up Petition** without prejudice to VIP's claims of past damages against SCB for more than **US\$ 485million**.

AND

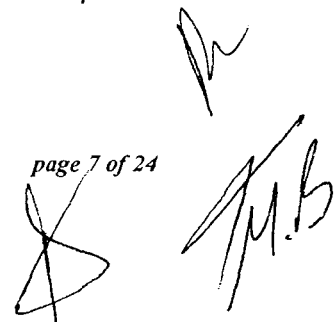
(w) VIP has declared to PAP that VIP is willing to withdraw the Winding Up Petition pending in the High Court of Tanzania (Utamwa, J.) and transfer 30% of VIP's Share and Future Interests in IPTL to PAP against VIP receiving 10% Advance payment of the price (US\$ 7.5million) by **27th August 2013** in view of the pressing public interest that IPTL's power plant will be run and expanded as soon and as effectively as possible, provided that VIP's claims for damages against SCB and MECHMAR for the damage and losses caused to VIP by their conduct since **1997** up to **20th September, 2013** will not be affected.

AND

(x) VIP and PAP are fully aware and have explicitly agreed that the Price only covers VIP's 30% Share and Future Interests in IPTL as defined in this Agreement, which will make it possible for PAP to own and appoint operators of IPTL but that the Price is explicitly not intended to cover in any way whatsoever the rights, claims and interests VIP has and may have against SCB and their agents, if any, in connection with their wrongful interferences with IPTL and VIP's assets, rights and interests, until the date that VIP will have transferred its 30% share in IPTL to PAP in accordance with this Agreement.

AND

(y) Both PAP and VIP have taken into consideration their public interests obligations to consent to IPTL supplying power to the national grid under the existing terms of the Power Purchase Agreement between IPTL and TANESCO or as may otherwise be reasonably necessary under the circumstances for the well-being of the public of Tanzania.

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AND

- (z) Both PAP and VIP have agreed that in choosing a competent additional partner and/or operator in IPTL, PAP will give Symbion Tanzania Ltd the 1st right of refusal at Symbion Tanzania Ltd's request after the issue of who is the rightful owner of MECHMAR's 70% Shares in IPTL has been resolved provided that Symbion Tanzania Ltd will have materially facilitated completion of this Agreement as it may be reasonably requested by VIP and/or by PAP.

NOW, THEREFORE, THIS DEED WITNESSES as follows:-

ARTICLE 1

DEFINITIONS AND INTERPRETATION

Definitions

- 1.1 **"Agreement"** means this Agreement and includes the Appendices hereto, if any, which are integral part of this Agreement, and any amendments to the Agreement or to the Appendices subsequently agreed upon in writing by the Parties from time to time.
- 1.2 **"Business Day"** means any day other than Saturday, Sunday or any official public holiday in Tanzania.
- 1.3 **"Charges"** means the charges relating to the provision of the Services;
- 1.4 **"Commencement Date"** means the date the Agreement is deemed by all parties to have commenced.
- 1.5 **"Danaharta"** means Danaharta Managers (L) Ltd, a company incorporated under the laws of Malaysia, from which SCBHK purportedly bought on **4th August 2005**, on an "as is where is" basis, the loan to IPTL under a 1994 Loan Facility Agreement between IPTL and the original lenders (a Malaysian bank syndicate).
- 1.6 **"Escrow Account"** means and includes the IPTL Tegeta Escrow Account at the Bank of Tanzania (BoT).
- 1.7 **"Materiality"** or **"Material"** or **"Materially"** for a breach or misrepresentation of any covenant, warranty or representation or in respect of due diligence results means event, condition, fact, change and effect.
- 1.8 **"Mechmar"** means Mechmar Corporation (Malaysia) Berhad, a public company incorporated under the laws of Malaysia and purportedly currently in liquidation, holding the remaining 70% of the shares in IPTL since its incorporation in 1994.



- 1.9 **"Parties"** means VIP and PAP, and **"Party"** means VIP or PAP, as the context may dictate.
- 1.10 **"Price"** Seventy-Five Million United States dollars (**USD 75.0million**).
- 1.11 **"SCBHK"** means Standard Chartered Bank (Hong Kong) Limited, a company incorporated under the laws of Hong Kong, China), claimed to be a subsidiary company.
- 1.12 **"SCB PLC"** means a public company incorporated under the laws of England and Wales, with its corporate seat in London (UK) including its branches, subsidiaries and agents worldwide claimed to have entered into a series of agreements on IPTL through SCBHK as its subsidiary/agent.
- 1.13 **"Shillings"** mean Tanzanian shillings, the unit of currency of Tanzania.
- 1.14 **"US \$"** means the United States Dollar being the unit of currency of the United States of America and the unit of currency of this Agreement.
- 1.15 **PAP's Share and Interests in IPTL:** include VIP's 30% shares and corresponding interests that has accrued on the said shares as at the date of this agreement including the rights to the receivables including all the monies in the escrow account as of the date of this agreement but exclusive of VIP's Past Damages Claims against SCB and their agents.
- 1.16 **VIP past Damage Claims or residual interest in IPTL:** means and include the right and interests VIP claims against MECHMAR as of the date of this agreement; and VIP's damages claims against SCB amounting to not less than USD. 485 million as of the date of this agreement.
- 1.17 **"Winding Up Petition"** means the petition filed by VIP in the High Court on **25 February 2002** vide Misc. Civil Cause No. 49 of 2002, seeking winding up of IPTL, or in the alternative, seeking VIP being paid **USD 31, 272,800.00** by those who oppose the winding up of IPTL.

Interpretation

- 1.18 In this Agreement, unless the context otherwise, requires words importing any one gender shall include both male and female genders, the singular shall include the plural and vice versa, and a reference to natural persons shall include created entities (incorporated or unincorporated) and vice versa.
- 1.19 When any number of days (be it Business Days or calendar days) is prescribed in this Agreement, that number of days shall be reckoned exclusively of the first and Inclusively of the last day, unless the last day (in the case of calendar days) falls on

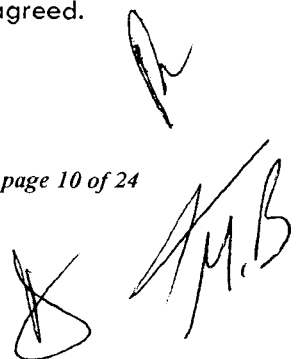


Sunday or official public holiday in Tanzania in which event the last day shall be the next succeeding Business Day or as otherwise agreed in this agreement.

- 1.20 Save for the Preamble or recitals hereto that constitute and shall be interpreted as integral part of this Agreement, the headings in this Agreement have been inserted for convenience only and shall not be used for, assist, or affect its interpretation.
- 1.21 Words and expressions defined in a sub-clause shall, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.
- 1.22 If reference is made in this Agreement to any other document for the purpose of defining words and/or phrases used herein, the applicable definition or description in such document shall be read and interpreted in terms of this Agreement as if specifically incorporated herein.
- 1.23 References to singular include, if the context so admits, plural and reference to Articles and Appendices are references to Articles of and Appendices hereto and vice versa.
- 1.24 If one or more of the provisions of this Agreement is held to be invalid, illegal or not enforceable in any respect, such invalidity, illegality or non-enforceability shall not affect any other provisions thereof and the invalid, illegal or unenforceable provisions will be deemed never to have been contained herein. In the event of any such invalidity, illegality or unenforceability, the Parties shall use their best efforts to achieve the purpose of the provision by a new legally valid and enforceable stipulation.
- 1.25 In the event of any difference, conflict or ambiguity between the provisions of any other arrangement between the parties and those contained in the Agreement, the terms of this Agreement shall in all circumstances prevail as between the Parties.

Effectiveness

- 1.26 This Agreement shall be effective from **19th August 2013** and all parties shall be irrevocably bound by its terms and conditions unless otherwise expressly agreed.

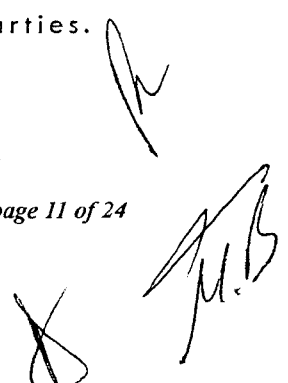
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Conclusivity

- 1.27 This Agreement sets forth the terms and conditions under which the Agreement has been entered. It constitutes the whole and only agreement between the Parties and supercedes and extinguishes all and any agreements, undertakings, representations, warranties of any nature whatsoever, whether or not in writing.

ARTICLE 2 TERMS AND CONDITIONS

- 2.1 Save for VIP's right to maintain its Past Damages Claims against SCB and third parties, which is hereby firmly reserved, VIP hereby irrevocably sell and deliver to PAP and PAP hereby irrevocably purchase the whole of VIP's 30% Share and Interests in IPTL other than the VIP's past damage claims against SCB and MECHMAR and their agents for the price agreed herein and subject to the terms and conditions of this Agreement.
- 2.2 PAP shall deposit 10% of the Price (**USD Seven Millions Five Hundred Thousands only USD 7.5million**) on or before **15.00 hours Central European Time** of the seventh (7) business day immediately following the date this Agreement becomes effective, that is on or before **27th August 2013**.
- 2.3 PAP shall pay the remainder of the Price (**USD Sixty-Seven Million Five Hundreds**) on or before **15.00 hours Central European Time** of the 31st day of August, 2013. However, in the event PAP, for a reasonable cause, fails to meet this timeline, PAP is given until 20th September 2013 to pay this sum.
- 2.4 All payments shall be made into the Trust Bank Account of the Foundation Stichting Beheer Derdengelden Schutte Heide-Jorgensen Advocaten in Amsterdam, The Netherlands (hereinafter called "*the Foundation*"), account number: IBAN: NL41ABNA0438891066; Swift code: ABNANL2A, with reference to this Agreement; or into a Trust Bank Account to be opened by VIP at Mkombozi Commercial Bank, St. Joseph Cathedral Branch, Dar es Salaam, Tanzania ("*the Bank*"), immediately after this Agreement is signed by the parties.

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- 2.5 The Foundation or the Bank (collectively "the Trustees" or severally "the Trustee") into whose Trust Bank Account the Price or part thereof is deposited shall receive and hold the Price in trust on behalf of VIP until such time VIP successfully withdraws the winding up petition and transfers its 30% share and interest in IPTL to PAP as herein agreed.
- 2.6 VIP shall only be entitled to use and the trustee shall be obliged to release the Price or part thereof after VIP shall have confirmed in writing to the Trustee that (a) VIP has given irrevocable Notice to the High Court withdrawing its winding up petition, subject to VIP's right to maintain past damages claimed against SCB and third parties, and (b) provided VIP has otherwise fully performed all its obligations, and only after PAP shall have deposited 10% of the Price as provided under Sub-Article 2.2.
- 2.7 The Trustee shall receive and hold the Price on behalf of VIP in its trust account for VIP and shall only make it available to VIP's subject to the terms of the preceding sub-article 2.5 and 2.6.
- 2.8 A copy of this Agreement shall be served upon and its receipt shall be acknowledged by the Trustee into whose Bank Account the Price shall or is contemplated to be deposited for safe-keeping for VIP.

ARTICLE 3 EXECUTION AND UNDERTAKINGS

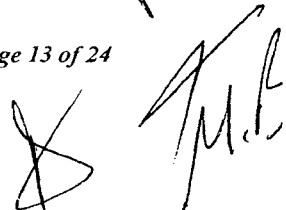
Execution Date

- 3.1 VIP and PAP shall be deemed to have signed this Agreement at Dar es Salaam on the date and in the manner hereinafter appearing subject to the terms of Sub-Articles 1.9 and 2.2 and 2.3 hereof.

Undertakings by Both Parties

- 3.2 As soon as this Agreement has been executed and the 10% of the Price, meant in the preceding Sub-Articles 1.9 and 2.2 inclusive, has been deposited by PAP, the Parties shall give effect to this Agreement as follows:-

- (a) If for any reason this is not yet done, VIP shall cause to have notice given to the High Court withdrawing its Winding up Petition, which is pending in the High Court.
- (b) Immediately upon payment by PAP of the entire price agreed upon as payable under this agreement, VIP and PAP shall cause to have all documents necessary for the transfer of VIP's 30% shares and interests in IPTL (hereinafter called the **Share Transfer Documentation**) drawn by their Tanzanian Counsel to effectuate the transfer of VIP's 30% shares in IPTL to PAP and filed with appropriate authorities including the High Court pursuant to law and conditions of this Agreement.
- (c) PAP shall pay the remainder of the Price timely in accordance with the Article 2.3 hereinabove.
- (d) The Parties shall execute the Share Transfer Documentation and accordingly inform the Trustee in no later than **the date herein agreed** after the Trustee shall inform VIP that the Price is free for disposal or collection as the case may be.
- 3.3 The Parties shall undertake whatever further actions that may reasonably be expected of them, to comply with their obligations and commitments under this Agreement or any other future agreement ancillary to this Agreement, in order to accomplish the Parties' common aims under this Agreement, which, in essence is to convey to PAP 30% of VIP's rights, title and interest in its shares in IPTL, and any other interests connected to those shares including the monies or part thereof, which VIP is entitled in the Tegeta Escrow Account kept with the Bank of Tanzania subject to the terms of Sub-Article 1.15 of this Agreement .
- 3.4 The Parties will accordingly refrain from any and all conduct that may detriment, diminish or make impossible the fulfillment of their obligations or commitment or the accomplishment of the aforementioned common aims; and shall inform each other promptly and fully of any information, facts or events they may become aware, which have or may materially adversely impact on their respective undertakings and common aims herein agreed upon.
- 3.5 The Parties agree that PAP and IPTL may join current and future proceedings commenced by VIP against SCB and/or third parties related to or represented by SCB.

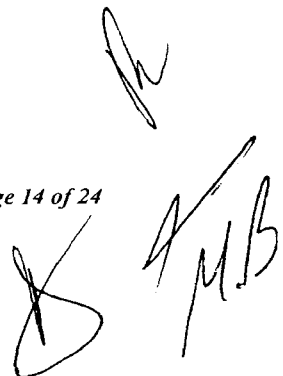
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in order to pursue and enforce any rights, claims and interests PAP and IPTL may have against SCB and/or third parties related to or represented by SCB.

3.6 Subject to the terms of Sub-Article 1.15 of this Agreement, it is explicitly established that the property, rights and interest transferred by VIP to PAP are limited to VIP's 30% shares in IPTL, to the extent that such 30% shares give PAP the right to directly or indirectly exercise and profit from shareholder's powers in IPTL under those shares and to receivables that accrued thereunder, which TANESCO and other third parties may owe to PAP directly or indirectly through the VIP 30% shares in IPTL as at the date of this Agreement. Consequently, the rights, claims and interests that will remain with VIP will include, but are not limited to, all rights and claims, whether or not connected to the VIP shares, that are the result of:-

- (a) any payments which SCB or MECHMAR or any third party related to or represented by SCB or MECHMAR may unlawfully or wrongfully have received or will unlawfully or wrongfully receive from IPTL or from any third party, on the ground of SCB's or MECHMAR's misrepresentation that SCB acquired rights, security, claims or interest in IPTL before the date of the execution of this Agreement, regardless whether such payment is received as consideration for the misrepresented rights, security, claims or interest in IPTL or for the waiver of all claims as regards IPTL; and/or
- (b) any dividends and/or superavit IPTL or the Liquidator of IPTL could have distributed to VIP in the period before the date of the execution of this Agreement if the Winding Up Proceedings had finalized with the full and final liquidation of IPTL in accordance with the law before the date of this Agreement; and/or
- (c) any difference between the value of VIP's share in IPTL as sold to PAP and the value of that share had SCB not unlawfully interfered with VIP rights and interests.

3.7 PAP is aware that MECHMR already consented before the High Court of Tanzania (ORIYO, J. as she then was) for VIP to sell its Shares in IPTL. Provided that PAP dutifully performs all its obligations under the Agreement VIP also hereby ratify and consent for MECHMAR to sell and transfer the 70% MECHMAR Shares in IPTL to PAF.

Handwritten signatures and initials are present in the bottom right corner of the page. There are three distinct marks: a large, stylized signature, a smaller signature, and the initials 'MB' written in a bold, slanted font.

3.8 None of the parties shall sue or claim against each other for the past misdeeds committed by VIP and/or the predecessors of PAP in IPTL.

Undertakings by VIP

3.9 As of the execution of this Agreement and the first payment of 10% of the Price, meant in Article 2.2 above, VIP shall cooperate with PAP as PAP, potentially, legally owns VIP's 30% Share and Interest in IPTL, with the sole limitation that such cooperation will not prejudice PAP's obligations or VIP's rights and claims for damages against SCB.

Undertakings by PAP

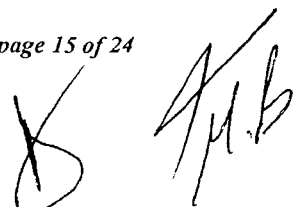
3.10 Subject to the terms of this Agreement, PAP shall not represent, state, suggest or insinuate to any third party, including courts and arbitral panels, which PAP will be or has become entitled under this Agreement to anything more than VIP's 30% Share in IPTL and the rights deriving therefrom. At VIP's request, in order to enforce VIP's rights, claims and interests in connection with IPTL which will not be transferred to PAP in accordance with this Agreement, PAP will confirm to third parties, including courts and arbitration panels, the limitations of PAP's entitlements under this Agreement.

3.11 PAP shall promptly inform VIP of PAP's actions and representations to third parties on behalf of VIP.

3.12 PAP shall irrevocably empower VIP to act on behalf of IPTL and/or PAP as a successor shareholder of VIP in IPTL in order to pursue and enforce all rights, claims and interests in IPTL that VIP will not be transferring to PAP under this Agreement. PAP, either on its own or on IPTL's behalf, shall execute, if so desired by VIP, written powers of attorney to VIP, as VIP may reasonably deem necessary to be able to act in order to pursue and enforce VIP's rights, claims and interests as defined under Sub-Article 1.15.

ARTICLE 4 COMMUNICATION

4.1 Until a Party informs the other Parties in writing about a change in its contact details, the Parties shall communicate with each other through the following contact details:-

Handwritten signatures and initials, including a large 'X' and initials 'M.B.', located at the bottom right of the page.

(a) VIP:-

VIP Engineering & Marketing Ltd
c/o **Mr James Burchard Rugemalira**
Windhoek House
Mwaikibaki Road, P.O. Box 70457
Msasani, Dar es Salaam
email: jamesbene@gmail.com / vipemltd2@gmail.com
fax: + 255 22 277 5030

With copy to:

Dr Camilo B. Schutte, *advocaat*

email: c.schutte@sshj.eu

and:

Mr. Christopher Provenzano, *attorney-at-law*

email: cprovenzano@mw-law.com

and

Mr Respicius Didace (Advocate)

Dar es Salaam, Tanzania

Email: didace@gmail.com

(b) PAP:-

Pan-African Power Solutions (T) Ltd,
C/o **Mr. Harbinder Singh Sethi**
Mrikau Street, Masaki Area
P.O. Box 4262
Dar es Salaam
email: sethi@tanzsa.com
fax: + 27 86 5528635

With copy to:-

Mr . Melchisedeck S Lutema (Advocate)

Dar es Salaam, Tanzania

email: lutema@asylattorneys.com

and:

Handwritten signatures and initials in the bottom right corner. There is a signature that appears to be 'M.B.' and another set of initials that look like 'S' or 'D'.

Mr. Joseph Makandegé (Advocate)

Dar es Salaam, Tanzania

Email: makandegé@yahoo.co.uk

(c) The Foundation:

Stichting Beheer Derdengelden Schutte Heide-Jorgensen Advocaten

c/o **Dr. C.B. Schutte and Mrs. L. Heide-Jorgensen**

De Lairesestraat 97

NL-1071 NX Amsterdam

The Netherlands

email: c.schutte@sshj.eu and l.heide@sshj.eu

fax: +31 20 4702237

- 4.2 All communication in writing between the Parties will be delivered to the other Party or Parties preferably by electronic mail or by fax. Original documents will be sent to the physical addresses, however copies will be sent immediately in advance also by electronic mail or by fax.

ARTICLE 5 MISCELLANEOUS

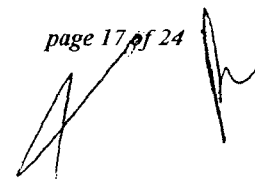
Acknowledgement and Warrant

- 5.1 PAP is fully aware and warrants to VIP that it is entirely informed of the on-going current disputes between stakeholders in IPTL, including the litigation between SCB, MECHMAR and VIP, in which they dispute each other's rights and interests in IPTL.
- 5.2 PAP is free to enter into any agreements, if it so wishes, with other such stakeholders to obtain any assurance, with the sole limitation that such agreements may not detriment or interfere in any way whatsoever with VIP's Past Damage Claims.

Waiver

- 5.3 In any suit arising from this Agreement, the Parties waive any right to punitive or exemplary damages, or consequential damages. This shall not limit the right of the Parties to recover prejudgment and post-judgment interest at the statutory rate

MB



established under the laws of the United Republic of Tanzania except for interest for delay in payment by PAP which is provided for herein.

Default

5.4 If the payments owed by PAP under this Agreement are not paid timely, PAP will owe a default interest of 22.31% per annum to VIP. In any event, if PAP, for whatever reason, decides not to proceed after it has deposited 10% of the price which is a condition precedent for VIP to bar other parties who have shown interest in VIP's 30% Shares in IPTL, the 10% Advance payment shall be forfeited as a contract brake fee.

5.5 If PAP pays the 10% deposit of the Price by 27th August 2013 as agreed upon in this Agreement, then, VIP shall have to withdraw the winding petition by 29th August 2013. Should VIP default in withdrawing the winding up by 29th August 2013 as herein agreed, then, VIP must grant PAP an extension proportionate to the time of delay.

Conclusively of Agreement

5.6 This Agreement constitutes the whole and only agreement between the Parties and supersedes and extinguishes all and any agreements, undertakings, representations or warranties of any nature whatsoever, whether or not in writing.

Illegality of Agreement

5.7 If any provision of this Agreement becomes or is deemed illegal, unenforceable or invalid that shall not affect the enforceability of the remainder of the Agreement.

Costs

5.8 Save for costs and expenses incurred by each party in relation to the negotiation, preparation, execution and carrying into effect of this Agreement, which shall be borne by each party:-

- (a) The legal costs reasonably incurred for the legal services rendered to both parties in litigating or connection with the winding up petition or proceedings ancillary thereto shall be chargeable to and born by IPTL against an authenticated supporting document provided the ceiling shall not exceed United States Dollars Five Hundred (USD. 500,000.00) or its equivalent in TZS each.

M.B

(b) All legal costs payable by the Provisional Liquidator of IPTL for all legal services rendered up to and subsequent the date of this Agreement including the legal services rendered in negotiating, drafting, reviewing, execution and attestation of this Agreement shall be chargeable to and born by IPTL subject to the applicable law and practice of the land.

Stamp Duty Act 1972

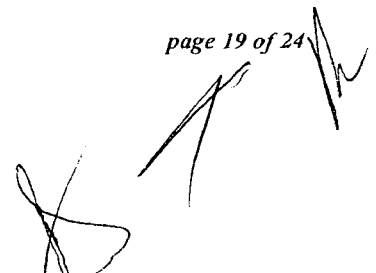
5.9 PAP shall pay to the Tanzania Revenue Authority the Stamp Duty payable for this transaction pursuant to the Stamp Duty Act, 1972 (as amended).

Notice to AG, MEM, TANESCO, BOT, TRA, the PL, Symbion

5.10 For the avoidance of doubt, VIP and PAP agree that after execution of this Agreement VIP shall cause a copy of this Agreement to be served upon AG, MEM, TANESCO, BOT, TRA, the PL, Mkombozi Commercial Bank, and Symbion Tanzania Limited C/o the Persons and addresses state hereinafter:-

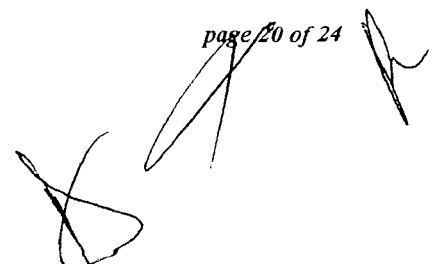
- (a) The Hon. Attorney General,
C/o Hon. Justice Frederick Werema (MP)
Attorney General's Chambers,
Kivukoni Front
P.O. Box 9050
DAR ES SALAAM
Email: fredwerema@hotmail.com
- (b) The Permanent Secretary
Ministry of Energy and Minerals
C/o Eliakim C Maswi
P. O. Box 2000
DAR ES SALAAM
Email: ecmaswi@yahoo.co.uk /ps@mem.go.tz
Tel: + 255 789 555 555

M.B

Handwritten signatures and initials, including a large 'X' and several scribbles.

- (c) The Managing Director,
Tanzania Electric Supply Co. Ltd,
C/o Mr. Godwin Ngwilimi,
P.O. Box 9024
DAR ES SALAAM
Email: godwin.ngwilimi@tanesco.co.tz / matlida.kimatara@tanesco.co.tz
Tel: +255 756 871 669
- (d) The Governor
Bank of Tanzania
C/o Mr. Mustafa Ismail
P.O. Box 2939
DAR ES SALAAM
Email: mkismail@hq.bot-tz.org
- (e) The Commissioner General
Tanzania Revenue Authority
C/o Mr. Ludovick Kandege
P.O. Box 11491
DAR ES SALAAM
Email: lkandege@tra.go.tz
- (f) The Provisional Liquidator of IPTL
The Administrator General's Office
C/o Mr. Phillip Saliboko
P.O. Box 9183
DAR ES SALAAM
Email: saliboko@gmail.com
ceo@rita.go.tz
- (g) Symbion Tanzania Limited,
C/o Mr. Mohamed Salehe,
68, Haile Selasie Road, Oysterbay,
DAR ES SALAAM
Tanzania

M.B

Handwritten signatures and initials in black ink, including a large signature that appears to be 'M.B' and several other scribbled marks.

- (h) Mkombozi Commercial Bank PLC
C/o Mrs. Edna Lupembe,
St. Joseph Cathedral Branch,
P. O. Box 38448,
DAR ES SALAAM
Tanzania
- (i) Stichting Beheer Derdengelden Schutte Heide-Jorgensen Advocaten
Camilo B. Schutte and Lise Heide-Jorgensen
c/o **Dr. C.B. Schutte and Mrs. L. Heide-Jorgensen**
De Lairessestraat 97
NL-1071 NX Amsterdam
The Netherlands
email: c.schutte@sshj.eu and l.heide@sshj.eu
fax: +31 20 4702237

Law and jurisdiction

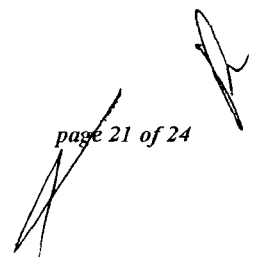
- 5.10 This Agreement is governed by the laws of Tanzania, except as otherwise expressly described herein.
- 5.11 Unless expressly agreed otherwise in writing by the Parties after the execution of this Agreement, the parties irrevocably submit to the exclusive jurisdiction of any court of competent jurisdiction located in Tanzania.
- 5.12 The rights, powers and duties of the Trustee into whose trust bank account the price may be paid in respect of its obligation to hold and timely deliver the Price, shall be governed by the laws of Tanzania, and any action brought by a Party against the Trustee for malfeasance or nonfeasance in respect of these duties shall be subject to the exclusive jurisdiction of the courts of records of Tanzania or Amsterdam, The Netherlands as the case may be.
- 5.13 The official text of this Agreement shall be in the English language.

Confidentiality

Share Sale Agreement between VIP and PAP (CONFIDENTIAL)

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M.B



5.14 In order to achieve the requisite transparency, this Agreement once executed, is not confidential.

Execution of Agreement

5.15 The Agreement may be executed in several counterparts, and all such counterparts shall constitute one agreement binding on all Parties and shall have the same force, regardless whether or not both Parties may be signatories to the same original or the same counterpart.

Amendment and Extension

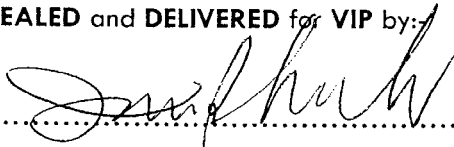
5.16 The Agreement may be amended only by written agreement duly signed by the Parties. No Party shall be deemed to have waived any claim or right under this Agreement, unless that Party has made an express and unambiguous statement to the other Party in writing to that effect.

5.17 No extensions of the timelines set out in this Agreement shall be allowed save for exceptional circumstances which could not be reasonably contemplated or foreseen by the parties.

In witness whereof, this Agreement is executed at the place, date and manner hereinafter appearing.

For VIP

SIGNED, SEALED and DELIVERED for VIP by:-

Signature:.....

Name: James Burchard Rugemalira

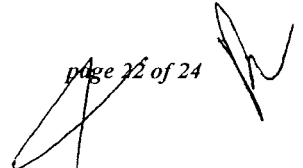
Position/Title: International Independent Consultant and Director of IPTL

Place: Dar es Salaam

Share Sale Agreement between VIP and PAP (CONFIDENTIAL)

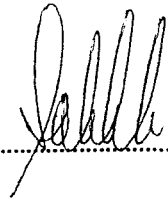
page 22 of 24

M.B



Date: 19th August 2013

Witnessed and Endorsed by:-



Signature:.....

Name: Phillip Gerald Saliboko

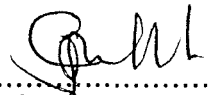
Position/Title: The Official Receiver and Provisional Liquidator of IPTL

Place: Dar es Salaam.

Date: 19th August 2013

In the presence of:-

Name: MASHAURI CHARLES MULLA

Signature:.....


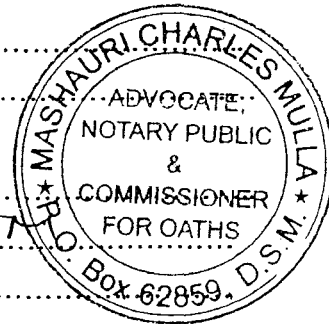
Qualifications: ADVOCATE

(Official Rubber Stamp/Seal)

Address: P.O. Box 62859

DAR ES SALAAM

Date: 19th August 2013



For PAP

SIGNED, SEALED and DELIVERED for PAP by:-

Signature:.....

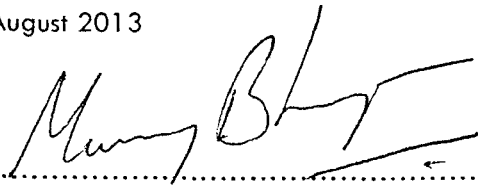

Name: Harbinder Singh Sethi

Position: Managing Director

Place: Dar es Salaam

Date: 19th August 2013

AND

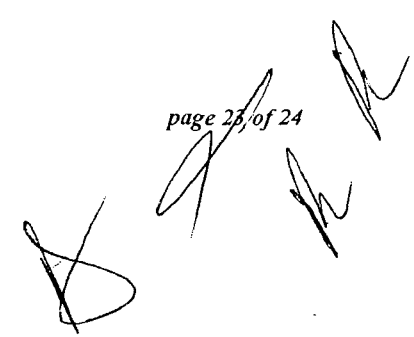
Signature:.....


Name: Manraj Singh Bharya

Position/Title: Director

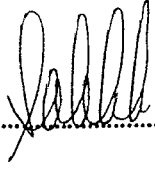
Place: Dar es Salaam

M.B



Date: 19th August 2013

Witnessed and Endorsed by:-

Signature:.....

Name: Phillip Gerald Saliboko

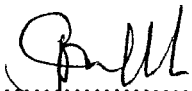
Position/Title: The Official Receiver and Provisional Liquidator of IPTL

Place: Dar es Salaam.

Date: 19th August 2013

In the presence of:-

Name: MASHAURI CHARLES MULLA

Signature:.....

Qualifications: ADVOCATE

(Official Rubber Stamp/Seal)

Address: P.O. Box 62859

DAR ES SALAAM

Date: 19th August 2013

