DATED THE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ DAY OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2000

**JOE BLOGGS**

**SIMPLE SIMON**

**&**

**DESPERATE DAN**

*to*

**SULTRY SUE &**

**JANE DREW**

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# **AGREEMENT FOR SALE OF SHARES**

In

# **CONSTRUCTION LIMITED**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***Drawn by:***

Spick Span & Co.,

Advocates,

Century Building, 2nd Floor,

Mama Ngina Street,

P. O. Box 1234,

## NAIROBI

**THIS AGREEMENT** is made this day of Two Thousand BETWEEN **JOE BLOGGS, SIMPLE SIMON** and **DESPERATE DAN** all of Post Office Box Number 98765, Nairobi in the Republic of Kenya (hereinafter called “the Vendors” which expression shall where the context so admit include their respective personal representatives and assigns) of the one part AND **SULTRY SUE** and **JANE DREW** both of Post Office Box Number 0000, Nairobi aforesaid (hereinafter called “the Purchasers” which expression shall where the context so admits include their respective personal representatives and assigns) of other part.

### **WHEREAS:-**

**CONSTRUCTION LIMITED** (hereinafter called “the Company”) is a limited liability company incorporated in the said Republic and has at the date hereof an authorised share capital of Kenya Shillings One Hundred Thousand (Kshs.100,000.00) divided into One Thousand (1000) Ordinary Shares of Kenya Shillings One Hundred (Kshs.100.00) each which are all issued and fully paid up.

The Vendors are the beneficial owners of One Thousand (1000) shares in the Company (hereinafter called “the shares”) and run and manage a construction company known as “ Construction” which business is owned by the Company. The Vendors hold the shares in the following proportions:-

Joe Bloggs 500 shares

Simple Simon 250 shares

iii. Desperate Dan 250 shares

The Vendors are the Directors of the Company.

The Vendors declare and confirm that they do not hold the Shares as trustees or in any other capacity for anyone.

The parties hereto are all resident in Kenya.

The Vendors are willing to sell and the Purchasers have agreed to purchase the Shares held by the Vendors subject to the terms and conditions of this Agreement.

**NOW IT IS HEREBY AGREED** as follows: -

The Vendors shall sell (all their pre-emption rights being waived) and the Purchasers shall purchase the Shares for the consideration hereinafter mentioned free from all charges or liens or any other encumbrances and with all rights (including but not limited to all rights of dividend) and privileges attaching to the Shares with effect from the completion date hereinafter written.

(a) The consideration for the said sale and purchase is Kenya Shillings One Million (Kshs. 1,000,000.00) payable in full by the Purchasers to the Vendors on the execution date hereof by bankers’ cheque.

The Advocates for both the Vendors and the Purchasers shall be Messrs Spick Span and Company, Century Building, Mama Ngina Street, P O Box 1234, Nairobi.

Completion of the purchase is conditional upon there being no restriction or regulation of the Government of Kenya introduced between the date hereof and the Completion Date (hereinafter defined) which would prevent completion.

The sale and purchase shall be completed on the 31st day of May, Two Thousand (herein called “the Completion Date”).

The Vendors will procure resolution of the Directors to effect resignation of the current directors, the appointment of new directors and the transfer of Shares.

On the Completion Date the Vendors shall deliver to the said Purchasers.

Duly executed transfer by the registered holders in the names of the said Purchasers for the respective shares agreed to be sold to them PROVIDED ALWAYS that on the signing of this Agreement such transfer of shares shall be deposited with the Vendors’ advocates duly executed and to be released to the Purchasers Advocates on the Completion Date and on compliance with all the terms and conditions of this Agreement;

The requisite Share Certificates;

Such waivers consents or other documents as may be required to give a good title to the Shares to enable the said Purchasers become registered holder of the Shares;

Forms D in respect of the value of each of the Shares required under the Stamp Duty Act (Chapter 480), duly completed and signed by the Company’s Auditors;

Resolutions in writing signed by the Directors of the Company substantially in the form of the draft contained in the First Schedule hereto which resolution will be deposited with the Vendors’ Advocates to be released to the Purchasers’ Advocates on the Completion Date and on compliance with all the terms and conditions of this Agreement;

Signed letters of resignation from office by the Directors of the Company and with a written acknowledgement from them that they have no claim whatsoever against the Company;

The original Certificate of Incorporation of the Company;

All copies of the Memorandum and Articles of Association;

The Statutory books of the Company including Minute Books, Common Seal and all books of account complete and written up to date and any other documents records or memorandum relating thereto (if in the Vendors possession);

Duly completed Income Tax return for the year 1999.

Performance by all parties of their obligations under this Agreement is conditional upon the other party being ready and willing to perform their obligations under the said Agreement and for the purposes of this Agreement completion of the sale involves due performances by all parties of all their obligations under the Agreement.

For the avoidance of the doubt it is hereby agreed that the Vendors shall bear no liability or responsibility in respect of the any debt or liability arising in respect of the period after or on the sixteenth (16th) day of May, 2000 and any such liability or responsibility shall be borne fully by the Purchasers who hereby indemnify the Vendors against any such liability or responsibility.

The Vendors agree to execute and perform or procure the execution and performance of such other acts, deeds, documents and things as may be necessary effectively to vest the beneficial ownership of the Shares in the Purchasers.

Notwithstanding the completion of the sale of the Shares agreed to be sold and/or purchased the provisions of this Agreement and the indemnities and agreements herein contained shall continue thereafter to subsist for so long as may be necessary for the purpose of giving effect to each and everyone of the provisions of this Agreement and all indemnities and agreements given herein by the Vendors or the said Purchasers and upon their personal representatives and assigns.

The Vendors undertake the following and shall indemnity the Purchasers should the Company or the Purchasers suffer any loss as a result of the breach of the undertaking.

All returns required to be made by the Company to the Income Tax Authorities and all other taxation authorities have been correctly made and on a proper basis;

The Company is not engaged in any litigation, arbitration or proceeding and that no prosecution is threatened or pending and the Vendors are not aware of any facts that may give rise thereto and that the Company is not in default of any obligation whether statutory or contractual;

The Vendors have disclosed to the Purchasers all matters and information regarding the affairs of the company;

The Vendors will not do anything that may render the financial position of the Company or its assets (if any) less favourable than at the date hereof;

The parties shall bear their respective share of the Advocate’s costs but the Purchasers shall be responsible for all Stamp Duty and other disbursements in respect thereof.

Any notice herein shall be in writing and may be delivered in person or sent by registered mail to the address of the parties shown herein. A notice by registered post shall be deemed to have been served seven (7) days after posting.

This agreement shall be governed by and constructed in all respects in accordance with the laws of Kenya.

All the parties to this Agreement will after as well as before upon the Completion Date do all acts and things and sign and execute all documents and deeds requisite for the purposes of implementing the terms of this Agreement.

No failure or delay by the Vendors in exercising any right or remedy under this Agreement shall operate as waiver of the same nor shall any single or partial exercise of any right or remedy preclude any further exercise thereof or exercise of any other right or remedy available to the Vendors.

**IN WITNESS WHEREOF** this Agreement has been duly signed by the parties hereto the day and year first herein written.

**FIRST SCHEDULE**

#### DRAFT BOARD RESOLUTION

Resolution of the Board of Directors of the Company passed pursuant to the Articles of Association of Company.

Appointment of the Additional Directors

The following persons be and are hereby appointed Directors of the Company with effect from the day of ,2000 and the said additional Directors welcomed to the Board of Directors that is to say:

1.

2.

(b) The resignation of and

be hereby accepted.

(c) be appointed as the new Auditors of the Company with effect from

(d) be appointed as the new Secretaries of the

Company with effect from 2000

**SIGNED** by the said **JOE BLOGGS** }

in the presence of }

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**SIGNED** by the said **SIMPLE SIMON** }

in the presence of }

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**SIGNED** by the said **DESPERATE DAN** }

in the presence of: }

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**SIGNED** by the said **SULTRY SUE** }

in the presence of: }

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**SIGNED** by the said **JANE DREW** }

in the presence of: }

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