

Our ref: T/BRJ/009/CUL1/18

March 21, 2018

The Directors  
Chemiphar Uganda Limited  
Plots 224-226  
P.O. Box 25525  
Kampala, Uganda.

Dear Sirs,

**LETTER OF ENGAGEMENT – FILING ANNUAL RETURNS FOR THE YEARS ENDED  
DECEMBER 31, 2015, 2016 AND 2017**

**1. Introduction**

- 1.1** Thank you for appointing us to file annual returns for Chemiphar Uganda Limited for the years ended December 31, 2015, 2016 and 2017. This engagement letter, together with the attachments (the “Engagement Letter”), sets out the basis upon which we will file the annual returns (the “Engagement”).

This engagement supersedes any previous proposals, correspondence and understandings, whether written or oral and will stay in force unless terminated by a subsequent agreement or understanding in writing.

**2. Responsibilities of the advisor**

- 2.1** We will act for and be responsible for filing of the company’s annual returns for the years ended December 31, 2015, 2016 and 2017. We will not deal with any other period unless you specifically ask us to do so and we agree under a separate letter of engagement.

**3. Your responsibilities**

- 3.1.** The responsibility of providing us with the necessary information, including adequate disclosure is yours.

**4. Personnel**

- 4.1** Robert Busuulwa will be responsible for the conduct of this Engagement on our behalf. Our contact details are as follows;

Contact Person: Mr Robert Busuulwa  
Direct telephone: +256 782 604 832  
Email address: robert.busuulwa@mazars.ug

**5. Fees**

- 5.1** Our fees are calculated and have been agreed in accordance with Schedule III attached.

## **6. Client service**

**6.1** Our objective is to provide you with a high-quality service to meet your needs. If at any time you would like to discuss with us how our service to you could be improved or if you are in any way dissatisfied with the service you are receiving, please let us know by contacting Mr. Robert Busuulwa on +256 782 604 832.

**6.2** We undertake to look into any complaint carefully and promptly and to do all we can to explain and resolve the position to your satisfaction. If in any case we do not answer your complaint to your satisfaction, you may take up the matter with the Institute of Certified Public Accountants of Uganda.

## **7. Obligations and liabilities**

**7.1** We will exercise due care in the performance of our work in accordance with the applicable professional standards.

**7.2** Because of the importance to our work of the information and representations supplied to us by you, we shall not be held responsible or liable for any damage (as defined in the attached Terms of Business *Schedule II*) or other consequence arising from matters on which information material to our work is deliberately withheld or concealed from us or misrepresented to us, except and only to the extent finally determined to have resulted from our knowingly disregarded matters of which we have actual knowledge, bad faith, gross negligence or wilful default.

**7.3** The aggregate liability of our firm, its partners, agents and employees or any of them (together referred to as the "Firm") for damage shall in all circumstances, be limited to three times the annual fees paid to us for our services as your advisors.

**7.4** Our responsibility as your advisors is limited to the period covered by this engagement letter and does not extend to matters that arise or arose during any earlier or later periods for which we were not engaged as your advisors.

## **8. Other services**

**8.1** We may provide, if requested, additional services.

Any additional services that you may request and that we agree to provide will be covered by separate arrangements.

## **9. Terms of business**

**9.1** A copy of our Terms of Business is attached at *Schedule II*. You should ensure that you read and understand our Terms of Business which contain important terms including those in connection with the scope of the Engagement, your responsibilities, fees, use of our advice, and our liability. The Terms of Business, together with the other schedules referred to in this letter, form part of the Engagement Letter. Should any of the terms included in the Terms of Business conflict with any of the other terms in this Engagement Letter, the latter will prevail. This Engagement Letter will take precedence over any of its schedules.

**9.2** You expressly agree and understand that the terms in this Engagement Letter apply to filing annual returns for the years ended December 31 2015, 2016 and 2017 services provided by Mazars BRJ Advisory Services, pursuant to the Engagement, whether such services were performed or provided before or after signing of the Engagement Letter.

**9.3** This Engagement Letter will remain in force and shall be fully effective until varied or replaced by written agreement between us. Each party may give notice in writing of termination to the other, which notice shall be delivered by either email, fax and/or a reputable courier service, indicating the reasons for termination such as a breach of the contract terms or non-remedy of written complaints within a reasonable time frame.

- 9.4** We would be very grateful if you could confirm your agreement to the terms in this Engagement Letter by signing and returning to us the attached copy. In any event, your continuing instructions will amount to an acceptance of those terms.

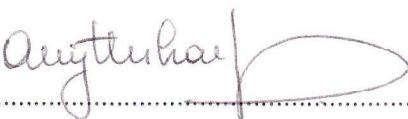
Yours faithfully

**Robert Busuulwa**  
**Director**  
**For and on behalf of Mazars BRJ Advisory Services**  
Enc.

**To Mazars BRJ Advisory Services:**

I hereby confirm that Mazars BRJ Advisory Services is appointed to carry out the Engagement in accordance with the terms set out in this Engagement Letter.

Signed

  
.....

Name

Annick YTTERHAEGEN

Date:

21/03/2018

## **Schedule I – Responsibilities of the Advisor**

### **Schedule of services**

This schedule should be read in conjunction with the engagement letter and the standard terms and conditions.

#### **1. Filing annual returns for the years ending December 31, 2015, 2016 and 2017**

- 1.1. We will prepare the returns for the years ending December 31, 2015, 2016 and 2017 and present them to the Directors for approval and signing;
- 1.2. We will present the above returns to the Company Secretary for signing;
- 1.3. We will file the returns with the Uganda Registration Services Bureau (“URSB”) and deliver a copy of the certified annual return for each year to the Directors.

#### **2. Changes in the law**

- 2.1. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.
- 2.2. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

#### **3. Your responsibilities**

- 3.1. You are legally responsible for ensuring that you provide us with the necessary information;
- 3.2. To enable us carry out our work, you agree:
  - 3.2.1 To provide full information necessary for dealing with the company;
  - 3.2.2 We will rely on the information and documents being true, correct and complete;
  - 3.2.3 To provide us with information in sufficient time to enable for the adequate preparation of the annual returns;
- 3.3. The work carried out within this engagement will be in respect of filing annual returns for the years ended December 31, 2015, 2016 and 2017. Any other work to be carried out will be set out in a separate letter of engagement.
- 3.4. Our services as set out above are subject to the limitations on our liability set out in the engagement letter and our standard terms and conditions (see *Schedule II*).

## **Schedule II – Terms of Business**

### **1. LIABILITY**

- 1.1. For the purpose of these Terms of Business and the accompanying engagement letter, "Damage" shall mean the aggregate of all losses or damages (including interest thereon if any) and costs suffered or incurred, directly or indirectly, by you (together with such other parties whom the Firm and you have agreed may have the benefit of and rely upon our work on the terms hereof) (together "Addressees") under or in connection with this engagement or its subject matter (as same may be amended or varied) and any report prepared pursuant to it, including as a result of breach of contract, breach of statutory duty, tort (including negligence), or other act or omission by the Firm but excluding any such losses, damages or costs arising from the fraud or gross negligence of the Firm or in respect of liabilities which cannot lawfully be limited or excluded.
- 1.2. For these Terms of Business, "the Firm", "us", "we" or "our" which, where appropriate, includes our successor and predecessor firms and our staff members shall mean Mazars BRJ Advisory Services, its affiliate Mazars BRJ Partners, Certified Public Accountant, its partners, directors, employees and agents. References in these Terms of Business to "you", or "your" shall mean Chemiphar Uganda Limited and who is our client for this Engagement.
- 1.3. Neither party to this Engagement will be liable to the other for failure to fulfill obligations caused by circumstances outside its reasonable control.
- 1.4. Neither party to this Engagement will directly or indirectly agree to assign, transfer or sell to anyone any claim against the other party arising out of this engagement, except that you may assign its rights to any such claim to: (1)

its insurer or (2) a third party who acquires all or substantially all of the voting securities or assets of you.

- 1.5. The Firm shall not be liable to you for any punitive damages whatsoever or for any consequential loss or damage beyond the maximum liability specified in the Engagement Letter.
  - 1.6. You agree to indemnify and hold harmless the Firm against any and all liabilities, actions, proceedings, claims, costs, demands, damages and expenses (including legal fees) incurred or threatened or arising in respect of or in connection with any matter or circumstances relating to or resulting from the provision of services under the Engagement Letter provided however that the Firm shall not be so indemnified with respect to any matter resulting from its fraud, willful misconduct or gross negligence.
  - 1.7. Notwithstanding the termination of the Engagement Letter, the provisions relating to the liability and indemnity of the Firm shall continue in full force and effect.
- ### **2. OUR EMPLOYEES**
- 2.1. It is expressly agreed that, having regard to our interest in limiting the personal liability and exposure to litigation of employees, you will not bring any claim in respect of any damage against any or all of our employees personally.
  - 2.2. For the duration of our engagement, and for 12 months after its termination or completion, you will not offer employment, or procure a third party to offer employment to any employee of ours who has taken part directly in the Engagement, without our consent.

### **3. GENERAL UNDERTAKINGS AND CONFIDENTIALITY**

#### **Confidential information**

3.1. Confidential information concerning your business will not be disclosed by us to third parties (except for other professional advisers whom we may consult in relation to our work and save to the extent that the information is in the public domain) without your prior written consent unless otherwise required by law, a Court of competent jurisdiction, the tax authorities or other government or regulatory authority.

3.2. Likewise, you will not disclose confidential information about the Firm without our consent. All information and advice, written or oral, of whatever nature, made available by us to you is for your sole use and shall not be disclosed or made available to any third party (save to the extent that same is in the public domain otherwise than by breach of this clause) without our prior written consent unless otherwise required by law, a Court of competent jurisdiction, the tax authorities or other government or regulatory authority.

#### **Working papers and files**

3.3. The working papers and files prepared in conjunction with our work, including electronic documents and files, are our firm's property, constitute confidential information and will only be retained by us in accordance with our firm's policies and procedures. We will notify you as soon as practicable (unless restricted by law) where we receive a legally compelling notice or request for access to your working papers from a third party.

#### **Electronically transmitted information**

3.4. We may communicate with you electronically. Electronically transmitted information cannot be guaranteed to be

secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. We will use commercially reasonable procedures to check for the most commonly known viruses before sending information electronically, but we will not be liable in respect of any error, omission or loss of confidentiality arising from or in connection with the electronic communication to you.

#### **General**

Nothing in this document precludes us or any member of our staff from taking such steps as are necessary to comply with the professional or ethical rules of any relevant professional body of which a partner or employee may be a member.

### **4. APPLICABLE LAW**

4.1. The Terms of Business of this Engagement Letter shall be governed by and construed in accordance with the laws of Uganda. The Courts of Uganda shall have exclusive jurisdiction to any claim, dispute or difference concerning the Engagement Letter and the Terms of Business and any matter arising from them. Each party irrevocably waives any right it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have the jurisdiction.

### **5. ARBITRATION**

5.1. The parties shall attempt, in an amicable manner, to adjust and settle any disagreements which may arise between them under or in connection with this Engagement.

5.2. In the event that any dispute arises between any of the parties to this engagement then at any time after the

exhaustion of the procedures of mediation referred to in paragraph 5.1 above such dispute shall be referred to arbitration at the request of a party upon written notice to that effect (a "Notice of Arbitration") and be finally determined in accordance with the Arbitration Rules of a competent Court with jurisdiction in the Republic of Uganda (the "Rules"). The appointing authority under the Rules shall be a Judge of the Court sitting in Chambers (the "Appointing Authority").

- 5.3. The place of arbitration shall be Kampala, Uganda. The language of the arbitration shall be English. The arbitration shall take place before a panel of three (3) arbitrators appointed as follows:
  - 5.3.1. One arbitrator shall be appointed by each party (together, the "Appointed Arbitrators") within ten (10) Business Days of receipt of the Notice of Arbitration;
  - 5.3.2. The Appointed Arbitrators shall appoint a third arbitrator within twenty (20) Business Days of receipt by the parties of the Notice of Arbitration; and
  - 5.3.3. If either party does not appoint an Appointed Arbitrator or the Appointed Arbitrators fail to agree upon a third arbitrator pursuant to this clause, such arbitrator shall be appointed by the Appointing Authority. Each party agrees that any decision or award in any arbitration made pursuant to this sub-clause shall be final and binding and hereby waives any right of appeal or recourse to any court of law.

### **Schedule III – Our Fees**

Our fees are based on the degree of responsibility and skill involved and the time required to complete the assignment, plus expenses.

We have agreed to fix our fees for filing annual returns as specified in Schedule I of this Engagement Letter as follows;

- Our fees for filing annual returns for the years ended December 31, 2015, 2016 and 2017 are **USD 55 (Fifty Five United States Dollars) per year.**

Our fees are exclusive of VAT, which is currently charged at 18%.

Our business terms require that we bill for our professional fees at the inception of our engagement. We will present our requests for payment and or invoices, which will be due for payment on submission. We will notify you immediately of any circumstances which we encounter which could significantly affect our fees.