

INDEPENDENT CYTONN MONEY MARKET FUND (CMMF) SALES AGENT AGREEMENT

1. PARTIES

1.1 **Cytonn Investments Management PLC of 6th Floor The Chancery, Valley Road Nairobi**, a private company limited by shares incorporated in the Republic of Kenya with registration number **CPU/2017/220478** (herein referred to as "**Cytonn**" which expression shall where the context so admits include its successors in title and permitted assigns)

AND

1.2 (**Name of ICSA**).....

Hereafter known as ("The Independent Cytonn Money Market Fund Sales Agent" or Independent CMMF Sales Agents) and which reference shall include its successor's assigns and/or personal representatives

2. RECITALS

2.1 Cytonn is an Investment Management firm that provides alternative investment solutions to Investors

2.2 As part of the distribution of its investment products, Cytonn has incorporated a policy to allow key business contacts in the market to market and distribute its investment products as Independent CMMF Sales Agent ("ICSAs").

2.3 Cytonn will remunerate the Independent CMMF Sales Agent by way of commissions for any business introduced by them and concluded by Cytonn during the tenure of this Contract in accordance with the terms and conditions of the schedules of Commission Payment (hereinafter called the Schedules)

2.4 The Schedules attached hereto are made and are an integral part of this Agreement and as may be updated by Cytonn from time to time;

2.5 The Independent CMMF Sales Agent confirms that he has the ability to establish, and/or has established key contacts in the market, and is interested in introducing them to Cytonn for investing in the investment products offered.

2.3 The Independent CMMF Sales Agent is willing to provide services to Cytonn as set out below.

3. INDEPENDENT CMMF SALES AGENT'S SERVICES

Cytonn engages the Independent CMMF Sales Agent to provide services to Cytonn relating to the marketing and distribution of investment products and the Independent CMMF Sales Agent agrees to provide such services upon the terms and conditions set out below.

4. DURATION

The Independent CMMF Sales Agent shall be appointed as from the commencement date (the date the Agent digitally signs their acceptance letter) until either party giving to other not less than thirty days written notice, terminates this agreement.

5. INDEPENDENT CMMF SALES AGENT'S SERVICES

5.1 The Independent CMMF Sales Agent is retained to provide the services referred to in 3 above to Cytonn on a continuous basis for the duration of this agreement.

5.2 In undertaking to be a CMMF Sales Agent with Cytonn Investments I confirm that I have undergone their training and can confirm that I fully understand the products offered by Cytonn Investments.

5.3 The Independent CMMF Sales Agent shall:

5.3.1 provide his services with reasonable care and skill and to the best of his ability;

5.3.2 hold his business in high esteem and strive to maintain its prestige;

5.3.3 make accurate and truthful presentations;

5.3.4 adhere rigidly to the observance of the highest standards of business and professional conduct and in particular, adhere to the laid down code of conduct practices as per the attached code of conduct document.

6. REMUNERATION

6.1 During the continuance of this agreement, Cytonn shall pay the Independent CMMF Sales Agent a commission in respect of each investment business marketed and concluded and pursuant to applications made as a result of the Independent CMMF Sales Agent's services. The Commission structure shall be disclosed in writing to the ICSA at all times. Conclusion of an investment business means that Cytonn receives the appropriate client application and cleared funds towards an investment product

6.2 Cytonn shall, in its absolute discretion and upon giving notice, have the right to revise (whether upwards or downwards depending on prevailing circumstances) the commission rates applying to a particular investment product.

6.3 Cytonn shall, subject to 6.7 below, pay to the Independent CMMF Sales Agent the commission due to it on the commission day, the same being a monthly date to be determined by Cytonn provided that the investment amounts have been

received in cleared funds by Cytonn at least 48 hours before the said commission day. Any commission received by Cytonn after the said 48 hours, shall be paid to the Independent CMMF Sales Agent on the next commission day. A written statement indicating the manner in which the commission was calculated shall be conclusive proof of the commission payable to the Independent CMMF Sales Agent and shall be binding on both parties except in the case of manifest error.

6.4 Commission is only payable to an Independent CMMF Sales Agent who onboards a client digitally and has invested at least the minimum amount.

6.5 On the termination of this agreement, the Independent CMMF Sales Agent shall be entitled to commission in respect of investment products completed through Cytonn prior to the date of termination of this agreement. The payment of commission to the Independent CMMF Sales Agent after the termination of this agreement shall only be made by Cytonn after Cytonn received a completed investment application and cleared funds in respect of the investment business concluded following the introduction. Cytonn may at its discretion set off against the said amounts any amounts due or becoming due by the Independent CMMF Sales Agent in terms of this agreement to Cytonn.

6.6 The Independent CMMF Sales Agent acknowledges that in certain circumstances he may receive:

- 6.6.1 overpayments of commission or payments in error of omission to which he is not entitled; and
- 6.6.2 payments in advance or on account of anticipated commission to which he does not subsequently become entitled; and
- 6.6.3 payments of commission which he is subsequently required to repay to Cytonn by reason of the provisions in clause 6.6

And therefore, the Independent CMMF Sales Agent irrevocably undertakes to repay to Cytonn upon demand any of the amounts referred to in this clause 6.6.

6.7 Cytonn reserves the right and the Independent CMMF Sales Agent authorizes Cytonn to withhold or deduct from or offset against any amounts due by Independent CMMF Sales Agent to Cytonn in terms of this agreement.

7. TERMINATION

7.1 Without limiting the generality of the provisions of clause 3 above Cytonn may immediately with written notice to the Independent Cytonn Money Market Fund Sales Agent, terminate this agreement if the Independent Cytonn Money Market Fund Sales Agent:

- 7.1.1 is in breach of any of the terms of this agreement which, have not been remedied by the Independent CMMF Sales Agent within 7 days of receipt by the Independent CMMF Sales Agent of a notice from Cytonn specifying the breach and requiring its remedy; or

- 7.1.2 be incompetent, guilty of gross misconduct and/or any serious or persistent negligence in the provision of his services hereunder; or
- 7.1.3 Acts in any manner which, in the reasonable opinion of Cytonn, brings or is likely to bring Cytonn into disrepute by association; or
- 7.1.4 Is declared bankrupt or compounds with his creditors generally or suffers any similar consequences resulting from debt; or
- 7.1.5 Is or has been convicted of any offence which involves dishonesty; or
- 7.1.6 Is in breach of any of the provisions of clause 5.2 or fails to adhere to the attached Code of Conduct.
- 7.1.7 Has not realized their targets and objectives and which to Cytonn's sole discretion infers on their inability to perform as an Independent CMMF Sales Agent

7.2 On termination of this agreement, Cytonn shall be entitled to recover forthwith from the Independent CMMF Sales Agent the amount of any commission overpaid or advanced to the Independent CMMF Sales Agent prior to such termination including but not limited to any amounts which the Independent CMMF Sales Agent is required to repay pursuant to clause 6.6. and any other amount due by the Independent CMMF Sales Agent to Cytonn on the date of termination of this agreement and any amount that may become due to Cytonn in future after the date of termination of this agreement.

8. CONFIDENTIAL INFORMATION

The Independent CMMF Sales Agent agrees to treat as secret and confidential and not at any time for any reason to disclose or permit to be disclosed to any person or otherwise make use of or permit to be made use of any unpublished information relating to Cytonn's technology, or other know-how, intellectual property, business plans or finances or any such information relating to a subsidiary, supplier, customer or Client of Cytonn where the information was received during the period of this agreement and upon the termination of this agreement for whatever reason the Independent CMMF Sales Agent shall deliver up to Cytonn all equipment, working papers, computer disks and tapes or other material and copies provided to or prepared by it pursuant to this agreement. This obligation of confidentiality shall survive the termination of this agreement.

9. STATUS AND TAX LIABILITIES

The parties declare that it is their intention, and it is agreed, that the Independent CMMF Sales Agent shall be responsible for all tax liabilities chargeable on its commission and other contributions payable by law in respect of his commission. The Independent CMMF Sales Agent agrees to indemnify Cytonn against all demands and against Cytonn's costs incurred in dealing with such demands and

authorises Cytonn to retain such amounts from the commission due to it from time to time in terms of this agreement for any of the said contributions and any taxes, penalties and interest in respect thereof due to the Independent CMMF Sales Agent's services hereunder.

10. NOTICE

Any notice required by this Agreement to be given by either party to the other shall be in writing and shall be served by sending the same by registered post or recorded delivery to the last known address of the other party and any receipt issued by the postal authorities shall be prima facie evidence of the fact and date of posting of any such notice.

10. ENTIRE AGREEMENT

This Agreement sets out the entire agreement of the parties and supersedes all prior agreements and understandings relating to its subject matter.

12. INTERPRETATION

12.1 Reference in this agreement to legislation includes current and future statutes (and regulations with regard thereto) that are of force during the duration of this agreement.

12.2 Headings are for ease of reference and shall not be considered in the construction of this agreement.

12.3 Any attachments or schedules to this Agreement hereto are an integral part hereof and references to this agreement shall include reference to such attachments and/or schedules.

12.4 Words importing the singular shall include the plural and vice versa and words importing persons shall include corporate bodies and vice versa and words importing the one gender shall include the other.

13. AUTHORITY

Nothing in this Agreement shall constitute a partnership between Cytonn and the Independent CMMF Sales Agent or be deemed to constitute the Independent CMMF Sales Agent as an officer, servant or employee of Cytonn. Save with the prior written consent of Cytonn, the Independent CMMF Sales Agent has no authority to:

13.1 enter into contractual obligations on behalf of Cytonn;

13.2 incur any other liability on behalf of Cytonn;

13.3 settle or waive any claim against Cytonn; or

13.4 Make any promises, representations, warranties or guarantees in respect of investment product

13.5 Use any of the Company's registered Trademark(s) and/or logo(s). Any such use must be approved by the Company in writing prior to their use and that such use of the Company's Trademark(s), logo(s) and other items of Intellectual property shall in no way infer that the same have been assigned or licensed to Independent Cytonn Money Market Fund Sales Agent

14 WAIVER

Cytonn's rights under this agreement shall not be prejudiced or restricted by any indulgence or forbearance extended to the Independent Cytonn Money Market Fund Sales Agent. No waiver by Cytonn in respect of any breach shall operate as a waiver in respect of any subsequent breach.

15. ASSIGNMENT

The Independent CMMF Sales Agent shall not be entitled to assign his rights and obligations under this policy without the prior written approval of Cytonn.

16. INDEMNITY

Any cost and damages incurred by Cytonn in connection with any legal proceedings brought against Cytonn as a direct result of any unauthorized action or misrepresentation by the Independent CMMF Sales Agent shall be borne by the Independent Cytonn Money Market Fund Sales Agent.

17. PRIOR AGREEMENTS

This agreement supersedes all other agreements other than those expressly referred to in this Agreement whether written or oral between Cytonn and the Independent CMMF Sales Agent relating to the services of the Consultant.

18. GOVERNING LAW AND JURISDICTION

This agreement shall be governed and construed in accordance with the Laws of Kenya and the parties hereby submit to the jurisdiction of the Courts of Kenya.

19. ARBITRATION

This Agreement shall be construed in accordance with and governed by the laws of the Republic of Kenya. Any dispute arising out of or in connection with this Agreement shall in the first instance attempt to be resolved through amicable negotiation. Should the negotiation discussions not bear fruit, the matter shall after seven (7) days be thereafter referred to arbitration by a single arbitrator to be appointed by agreement between the parties to the dispute, or in default of such agreement within 14 days of the notification of a dispute for resolution by arbitration, upon the application of any party to the dispute by the Chairman for the time being of the Kenya Branch of the Chartered Institute of Arbitrators of the United Kingdom. Such arbitration shall be conducted in Kenya in accordance with the Rules of Arbitration of the said Institute and subject to and in accordance with

the provisions of the Arbitration Act 1995 and any amendments thereto. To the extent permissible by law, the determination of the Arbitrator shall be final and binding upon the parties. If any provision of this Agreement shall be declared to be invalid, such declaration shall not be deemed to affect the validity of any of the other provisions.

SCHEDULE 1

SCHEDULES OF COMPENSATION

COMMISSION PAYMENTS RULES

- A. **Commissions Payable** - The Independent Cytonn Money Market Fund Sales Agent's commission under this agreement shall be computed in accordance with all applicable provisions of this agreement on an application completed by the Independent CMMF Sales Agent and the said application accepted by Cytonn Investments. Such commissions are payable on investment funds received through digital means that shall be communicated to the Sales Agent by Cytonn Investments.

Any Sales Agent terminated due to fraud or gross misconduct will not be entitled to any compensation or terminal dues whatsoever.

All outstanding dues shall be reduced by the amount if any, of any indebtedness to Cytonn Investments and any indemnity or other benefit which Cytonn Investments may pay or may be required to pay (Otherwise than under company discretion) by reason of the Independent CMMF Sales Agent's termination for any reason or the Laws of Kenya.

Since the Independent CMMF Sales Agent is not an employee of Cytonn Investments he shall not be entitled to employee termination benefits including benefits under any labour or other laws in Kenya.

EXCEPT AS PROVIDED HEREIN NO OTHER PAYMENT WILL BE MADE UPON TERMINATION.

- B. **Amount Payable**- Gross commissions of more than Ksh 1000 cumulatively shall be the only amounts processed for payment each month. Gross commission of less than Ksh 1000 shall be accrued until such a month when they are eligible for payment. If by December 31 of each year one has earned commission but is yet to accumulate to the minimum payable amount, this shall be processed to the ICSA via M-PESA.
- C. **New Investment Products**- Commissions for any product not currently listed in schedule 2, shall be determined by Cytonn Investments.
- D. **Cancellation of Investment Product Application**- if any application is for good reason cancelled and investment funds refunded on it, the Independent CMMF Sales Agent agrees to repay to Cytonn Investments the amount of

commissions received investment funds so refunded.

- E. **Independent CMMF Agent's name on application** –The Independent CMMF Sales Agent will have no claim for commissions for any business unless his agent number appears on the application in the case of any Investment Product issued by Cytonn Investments.
- F. **Currency** –All compensation shall be payable in Kenya Shillings or through the Independent CMMF Sales Agent CMMF account unless specified otherwise.
- G. **Compensation not specified in schedules** – compensation on any Investment Product not specified in the applicable commission and compensation schedule shall be determined by Cytonn Investments.

This Schedule is an integral part of the Independent CMMF Sales Agent Agreement and is subject to change from time to time at the discretion of Cytonn Investments.

SCHEDULE 2

SCHEDULE OF COMMISSIONS ON INVESTMENT PRODUCTS

Solution	Commission Rates	Narrative
Cytonn Money Market Fund	Account opening commission is payable at Kshs. 10 shillings for every Kshs 100 invested at account opening, up to a maximum commission of Kshs 500. See the table below.	Commissions shall be one-off and payable monthly for money that is invested in the Cytonn Money Market Fund for at least 3 months

Account Opening Amount (Kshs)	Commission Payable (Kshs)
100	10
500	50
1,000	100
2,000	200
5,000	500
Above 5,000	500

This Schedule is an integral part of the Independent Cytonn Money Market Fund Sales Agent's Agreement and is subject to change from time to time at the discretion of Cytonn Investments

Signed on _____ 2020

Name (Independent Cytonn Money Market Fund Sales Agent)

Signature:

Name of Witness

Signature