

**CONTRACT OF HIRE**

**BETWEEN**

**VICTORIA MOTORS RWANDA  
LIMITED**

**AND**

**RUTONGO MINES LIMITED**

## Contract of Hire

Entered herein a contract of understanding between Messrs. **VICTORIA MOTORS RWANDA LTD (VMRL)** herein after called as '**First party**' represented by Mr. Ben Michael Kiiza – **General Manager** and **RUTONGO MINES LTD** represented by **General Manger**, Mr. Kevin Buyskes as '**Second party**' and mutually agreed to the following conditions for hiring cars.

1. Second party requires **vehicles** with this contract and will add any additional requirement or deduct from existing fleet as and when required with a **2 days'** notice to be made to the first party. The vehicles covered in the contract are described in a separate **Vehicle Delivery Form** signed by both parties.
2. The vehicles will be engaged on contract basis by second party for a period of **1 Year** from the date of signing contract by both parties. The contract can be renewed on mutual agreement.
3. The First party will keep the vehicle in good running condition for second party for movement of their men and material anywhere in Rwanda as required all the days in a week. Vehicles under contract may also need to be sent to neighboring countries if necessary, when the second party will inform first party and arrange for the COMESA insurance at a Cost to the Second party.
4. First party will provide the vehicles with all original documents of Registration, Insurance and Control Technique papers. If they are not provided and if there are penalties by traffic police, the fines shall be transferred to First party.
5. Vehicles will be kept under the control of second party in the office premises when it is not in use.
6. Second party shall use a qualified and valid license holder for driving the car and provide the copies of driving permits to First party for record keeping.
7. First party is supposed to maintain the cars in very good condition and in case of a major breakdown of the vehicle, should replace with a substitute vehicle within 2 days to continue the works of second party without interruption.
8. The services of break down rescue should be within three hours in Kigali and within maximum of 6-8 hours for upcountry depending on the location of breakdown.
9. First party shall bear all the expenses related to repairs and maintenance services of the cars covering normal wear and tear spare parts and including tire changes.
10. First party is responsible for all the statutory obligations with the Police, RRA and other requirements of the Government while operating the vehicle with comprehensive insurance coverage. First party shall also be responsible for control technique costs.



11. Both the parties agreed a fleet discount of **RWF. 659,000 Inclusive of VAT** for each vehicle per month towards hire charges without driver.
12. Second party will effect payment by cheques in second week of corresponding month. No advance payment will be entertained against final bill or for any maintenance and repairs.
13. Second party will provide fuel that is required for the travel and attend to only minor repairs like punctures and bear the costs.
14. The Second Party will ensure that, in the event of any accident they will protect the interests of the First Party by following the appropriate procedures for reporting the accident, involving the police where necessary and supporting the insurance claims process. The Second Party will also be responsible for any rejected claim and any excess charge payable on every insurance claim raised during the hire period. First party shall aid follow up with the insurance and completion of accident repairs.
15. Second party should not do any alterations or remove any existing parts of the car without written permission from First party.
16. First party shall arrange for the periodical maintenance of cars at their cost as per schedule with a substitute vehicle arranged for second party's use without hampering work in case of a major repair taking more than 2 days.
17. Second party shall allow the vehicle for the maintenance as per schedule upon prompt by first party or as per planned maintenance arranged by First party.
18. Second Party shall bear the costs of damages resulting from Vehicle Abuse or negligence by the vehicle users such as are not covered by the Insurance Company.
19. First party shall arrange the services of a Fleet Management System to Second party within the agreed rental charges and shall assist in case the need arises.
20. Either party will/can terminate contract with prior notice of 15 days in case either party fails to adhere any of the above conditions.
21. In case of abrupt termination by Second party before the end of two (2) months, Second party shall be required to pay one third of the rentals for the total remaining months on the contract.



Both parties have agreed to the above conditions and signed on 31 / December / 2016 in Kigali.

**For RUTONGO MINES LIMITED:**

Full Name: **Mr. Kevin Buyskes**

Capacity: **General Manager**

Signature & Date

31/12/2016



**Witness:**

Full Name: ZUZANA MROSKOVICOVA

Capacity: ADMIN. MANAGER

Signature & Date



31/12/2016

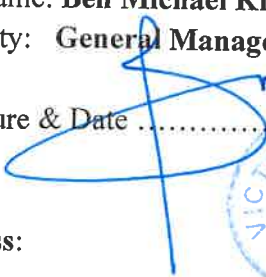
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**For VICTORIA MOTORS RWANDA LIMITED:**

Full Name: **Ben Michael Kiiza**

Capacity: **General Manager**

Signature & Date



31st / Dec / 2016.

**Witness:**

Full Name: **Pascal Rutaziga**

Capacity: **Finance & Administration Manager**

Signature & Date



31/12/2016