

**MEMORANDUM OF
UNDERSTANDING (MoU)**

BETWEEN

ALKEM NIGERIA LIMITED, LAGOS

AND

**COVENANT UNIVERSITY,
OTA, NIGERIA**

MAY 2017



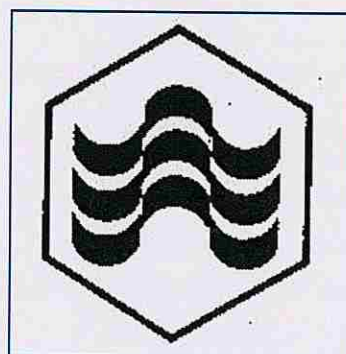
MEMORANDUM OF UNDERSTANDING

Between



Covenant University, Ota

And



Alkem Nigeria Limited, Lagos

This Memorandum of Understanding (**MoU**) is made this 11th day of May, 2017

BETWEEN

COVENANT UNIVERSITY, a Christian Mission University established under the laws of the Federal Republic of Nigeria and licensed by the National Universities Commission. Located at KM 10, Idiroko Road, Canaan Land, Ota, Ogun State, Nigeria (hereinafter referred to as "**COVENANT**" which expression shall where the context so admits include its privies, assigns and legal representatives) of the other part.

AND

ALKEM NIGERIA LIMITED a Company registered and incorporated in Nigeria with its business address at Block D, Plot 4, Amuwo-Odofin, Oshodi-Apapa Express way, Lagos, Lagos State of Nigeria (hereinafter referred to as **ALKEM** which expression shall where the Context so admits includes its successors-in-title, assigns and Legal representatives) of the one part.

COVENANT and **ALKEM** shall individually be known as "the Party" and collectively as "the Parties"

WHEREAS:

1. **ALKEM**, a Company set up for the business of recycling of PET bottles and production of Polyester fiber, is desirous of providing a Baling Press, upon the specific request of **COVENANT** for the purpose of providing **ALKEM** with recycling materials from PET bottles through the Baling Press at no cost to **COVENANT**.
2. **COVENANT** is interested in entering into the transaction with **ALKEM** for the above stated transaction.
3. **BOTH** parties have consented to this Agreement under the terms and conditions as are hereinafter set forth.

WHEREBY IT IS AGREED AS FOLLOWS:

- a. The Parties hereto agree that this MoU shall become effective upon signing by the Parties.
- b. This MoU is exclusive to **ALKEM** and **COVENANT** only and shall be for an initial period of three (3) years subject to modification and renewal for a further term by the mutual written consent of both Parties.
- c. Each Party shall respect the rules and regulations applicable at the premises of the other Party.

- d. **ALKEM** agrees that **COVENANT** at all time material, during the continuance of this agreement shall be independent of **ALKEM** and it further excludes itself from any liability incurred by **COVENANT** during the continuance of this agreement.
- e. **COVENANT** hereby agrees to perform its obligations under this contract and shall deliver all sorted/baled bottles during the continuance of the contract to **ALKEM**, unless **ALKEM** otherwise directs.
- f. **COVENANT** shall undertake to pay all electricity, water and tenement rates as well as all other charges at the collection center that may be imposed from time to time by government or local agencies.
- g. **ALKEM** hereby agrees with **COVENANT** that in furtherance of this agreement it shall provide a **BALE PRESS** to **COVENANT** to carry out the process of baling of sorted PET bottles.
- h. **COVENANT** will provide adequate security for the Bale Press so provided. The Bale Press will remain the **PROPERTY OF ALKEM**.
- i. **COVENANT** shall be responsible for the maintenance of the Bale Press. **ALKEM**, at the request of **COVENANT** shall provide technical assistance to **COVENANT** for the maintenance of the Bale Press. Any expenses incurred for spare parts and consumables used for this purpose shall be charged to **COVENANT**.
- j. This agreement shall be deemed to have been determined upon the settlement of all obligations owed one party to the other after seven-day notice given to the other. It is further agreed that in the event that any party is in breach of any of the terms of this agreement, without prejudice to any outstanding financial liabilities and/or obligation to either party, the agreement shall automatically be determined.

4. MISCELLANEOUS

- 4.1 The Parties shall meet once every quarter to review the collaboration and make projections for the next quarter. Such deliberations will be documented and signed by all present and will form part of the modus-operandi of execution of the **MoU**.
- 4.2. The Parties shall respectively retain all rights, title and interest in and to any deliverables delivered with respect to the collaboration inclusive of patent, copyright, trademark or other intellectual property right that prior to the commencement of the venture belonged to the Party individually.

5. GOOD FAITH

The Parties shall be faithful to each other in all their dealings and transactions relating to this **MoU** in whatsoever manner and the Parties and their employees will at all times during the period of this **MoU**, diligently and faithfully employ themselves towards achieving the objectives of the **MoU**. Each Party shall give a true account of the matters relating to this **MoU** which it shall endeavor to undertake.

6. CONFIDENTIALITY

Each Party undertakes to treat as confidential any information obtained, transmitted or recorded and all document made available by the other Party pursuant to this **MoU** and to use such information solely for the purposes thereof, and to disclose such information only to the extent necessary for the implementation of the **MoU**. For the avoidance of doubt, this clause subjects the Parties to the provision of the Official Secret Act.

7. FORCE MAJEURE

Neither Party will be liable for damages or otherwise for any failure or delay in the performance of this **MoU** where such failure or delay is caused by force majeure, being any event or occurrence or circumstance reasonably beyond the control of that Party, including but without prejudice to the generality of the foregoing, any general labour restriction, delay due to accidents not the fault of either Party, adverse weather, failure or delay caused by or resulting from an act of God, strikes, fires, floods, wars, (whether declared or undeclared), strikes, lockouts, industrial disputes, riots, civil disturbance or unrest, embargoes, restrictions imposed by any Government authority or person purporting to act therefore.

- 7.1 The Party whose performance is so affected shall immediately notify the other hereto indicating the nature of such cause and, to the extent possible, inform the other Party of the expected duration of the force majeure event. Where the force majeure incident persists beyond six (6) months, both Parties shall be relieved from complying with any terms or obligations of this **MoU** to the extent that such compliance is reasonably hindered or impeded.

8. TERMINATION/LIABILITY

- 8.1 Either Party may terminate this **MoU** for convenience by giving three (3) months written notice to the other Party. Where such termination occurs, the provisions of this **MoU** shall continue to apply to ongoing activities until their completion and no Party shall have any liability to the other as a result of such termination.
- 8.2 This **MoU** shall be terminated immediately in the event of fraudulent or other activity that may likely bring either Party into disrepute.

9. GOVERNINIG LAW

This **MoU** is governed by the laws of the Federal Republic of Nigeria.

10. FINANCIAL/TRANSPORTATION ARRANGEMENTS

The Parties understand that the transportation arrangement of the baled products shall be borne by **ALKEM**.

The financial details of the price for the baled products under this **MoU** shall be based on fees/terms to be agreed upon by the parties subject to price changes per time until the **MoU** is reviewed.

11. NOTICES

All notices to be given in pursuant to this **MoU** shall be sent to the following address;

For: ALKEM NIGERIA LIMITED, LAGOS

A.Ramalingam
Chief Operating Officer
Alkem Nigeria Limited
Block D Plot 4
AmuwoOdofin Industrial Estate,
Mile-2, Apapa Oshodi Expressway,Lagos
Phone No. 08033018007
e-mail: commgr@fibresyarns.com

For: COVENANT:

The Director, Covenant University; Centre for Research, Innovation & Discovery
KM 10 Idiroko.
Ota, Ogun State. Nigeria
Phone No: +234-816-308-3253
E-Mail: cucrid@covenantuniversity.edu.ng

12. DISPUTE

If a dispute arises out of, or in relation to this **MoU**, or the breach thereof, the Chief Executive Officers of the Parties shall meet and attempt in good faith to settle through negotiation. If they do not reach an amicable solution within a period of thirty (30) days from their first meeting, Parties would endeavor in good faith to settle the dispute by mediation administered by an independent third party mutually appointed by the Parties. Where peradventure, this also fails, the MoU shall be deemed terminated and any ongoing activity brought to completion within a reasonable period.

IN WITNESS WHEREOF the authorized representatives of the Parties hereto have caused their hands and common seal to be affixed the day and year first above written.

For: COVENANT UNIVERSITY

.....
Prof. AAA Atayero
Vice Chancellor

..... 11/5/17
Mrs. Mary Aboyade
Ag. Registrar

For: ALKEM NIGERIA LIMITED, LAGOS

.....
A.V. Suthar
General Manager

.....
A. Ramalingam
Chief Operating Officer