

BRITISH-AMERICAN INVESTMENTS COMPANY (KENYA) LIMITED
AUTHORISED SELLING AGENTS MANUAL



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BRITISH-AMERICAN INVESTMENTS COMPANY (KENYA) LIMITED INITIAL PUBLIC OFFER (IPO)

AUTHORISED SELLING AGENTS MANUAL

In respect of an offer for subscription by the British-American Investments Company (Kenya) Limited Of 650,000,000 ordinary shares at an offer price of kshs. 9/- per share with a par value of Kenya Shillings Ten Cents (Kshs 0.10) Each (The "Offer Shares") constituting a public offer of 30.23 % of the issued ordinary shares on the main investment market segment of the Nairobi Stock Exchange

Joint Lead Transaction Advisors

KPMG Kenya and NIC Capital

Joint Lead Sponsoring Stock Broker & Lead Placing Agents

Standard Investment Bank Ltd and Kestrel Capital (East Africa) Ltd

Legal Advisor

Daly & Figgis Advocates

Reporting Accountants

PricewaterhouseCoopers

Receiving Banks

EQUITY BANK LTD & STANDARD CHARTERED BANK KENYA LTD

Receiving Agent & Registrar

IMAGE REGISTRARS LTD

NOTICE

This offer opens on 12th July 2011 and closes on 5th August 2011

THIS AUTHORISED SELLING AGENTS MANUAL IS ONLY FOR USE BY THE AUTHORISED SELLING AGENTS APPOINTED BY BRITISH-AMERICAN INVESTMENTS COMPANY (KENYA) LIMITED PURSUANT TO THE IPO w

This Authorised Selling Agent Manual dated 29th June 2011 (“Manual”) issued by British-American Investments Company (Kenya) Limited (“British-American/Company”) refers to the Prospectus and other IPO documentation dated 29th June 2011 which contains information that is provided in compliance with the requirements of the Companies Act (Chapter 486 of the Laws of Kenya) (“the Companies Act”) and the Capital Markets Act (Chapter 485A of the Laws of Kenya) (“the Capital Markets Act”) as well as the rules and regulations thereunder.

Authorised Selling Agents (ASAs) are required to distribute the Manual amongst their staff and ensure that their staff are fully aware of the contents therein including the British-American Investment Company (Kenya) Limited Prospectus (‘the Prospectus’), Share Application Form and the Batch Control Schedule. Any queries should be addressed to the Receiving Agent (Image Registrars Limited), the Joint Lead Sponsoring Stock Brokers - Standard Investment Bank Limited and Kestrel Capital (East Africa Ltd) or the Joint Lead Transaction Advisors - KPMG Kenya and NIC Capital Ltd.

The ASAs are required to advise potential investors to read carefully the Prospectus that accompanies the SHARE APPLICATION FORM Share Application Form before deciding whether to take up an investment in the IPO. Terms defined in the Prospectus shall, where applicable, apply herein.

The Capital Markets Authority (“CMA”) has granted permission for the IPO. As a matter of policy, the CMA does not assume responsibility for the correctness of any statements or opinions made or reports contained in this Manual, the Prospectus or the SHARE APPLICATION FORM Share Application Form or the Batch Control Schedule. Approval of the IPO and the subsequent listing are not to be taken as an indication of the merits of British-American or the securities.

The Nairobi Stock Exchange (“NSE”) has given permission for listing of the Shares (hereinafter defined) on the Main Investment Market Segment (“MIMS”) of the Official List of the NSE. It is expected that the admission of the Shares will be on 5th September 2011. The NSE assumes no responsibility for the correctness of any of the statements made or opinions or reports expressed in this Manual. Admission of the Shares issued pursuant to the IPO to the Official List is not to be taken as an indication of the merits of the Company or of the Shares.

The latest time for the submission of applications for the Shares to the ASAs by investors is 3.00 p.m. on 5th August 2011.

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DECLARATION

1. Each ASA acknowledges and agrees that they are engaged by British-American upon the express terms and conditions contained in the Authorized Selling Agents Agreement entered into between it and British-American, for the IPO.
2. This Manual shall be deemed to be part of the said Agreement, and shall be binding on the ASAs.
3. This Manual shall be read in conjunction with the Prospectus, released by British-American in respect of the IPO.
4. This Manual is for use only by the ASAs to the IPO.

CORPORATE INFORMATION BRITISH-AMERICAN

Company Secretary	Nancy K. Kiruki Company Secretary and Group Head of Legal & Human Resource Britak Centre Junction of Mara and Ragati Roads Upper Hill P.O Box 30375, 00100 Nairobi
Share Registrar	Image Registrars Limited Transnational Plaza, 8th Floor Mama Ngina Street P.O Box 9287-00100 Nairobi, Kenya
Registered Office	Britak Centre Junction of Mara and Ragati Roads Upper Hill P.O Box 30375, 00100 Nairobi Tel: (020)2710927 – 38 Fax: (020)2717626
Financial Calendar	Financial Year – 31st December
Auditors	PricewaterhouseCoopers The Rahimtulla Tower Upper Hill Road P.O Box 43963, 00100 Nairobi

KEY IPO PROCESSING CONTACTS

Lawrence Kibet & Abdulhaleem K. Mohamed	Image Registrars Limited Trans National Plaza, 8th Floor Mama Ngina Street P.O. Box 9287 – 00100, Nairobi Tel: 2212065/ 2230330/ Fax: 2212120 lawrence.kibet@image.co.ke amohamed@image.co.ke
Fred Opondo & Grace Ndegwa	Standard Investment Bank Ltd ICEA Building, 16th Floor Kenyatta Avenue P.O. Box 13714 – 00100, Nairobi Tel: 2220225/ 2228963 fopondo@sib.co.ke / gndegwa@sib.co.ke
Gregory Martin Waweru	Kestrel Capital (East Africa) Ltd ICEA Building, 5th Floor Kenyatta Avenue P.O. Box 40005 – 00100, Nairobi Tel: 2251758 gregoryw@kestrelcapital.com
Grace Mbugua	Standard Chartered Bank Kenya Ltd 48 Westlands Road, @ Chiromo Level 5, P.O. Box 30001-00100, Nairobi Tel: 2281551 grace.mbugua@sc.com

Peterson Mwangi	Equity Bank Limited Hospital Road, Upper Hill P.O. Box 75104 – 00200, Nairobi Tel: 2262000/ 2263000 peterson.mwangi@equitybank.co.ke
Nancy Kiruki	Britak Center Junction of Mara and Ragati Roads, Upper hill P.O. Box 30375 – 00100, Nairobi Tel: 2710927/38 Fax: 2717626 nkiruki@british-american.co.ke

TRANSACTION ADVISORS

RECEIVING BANKS	LEGAL ADVISOR
Equity Bank Limited P.O.Box 75104-00200 Nairobi, Kenya Hospital Road, Upper Hill Tel: +254 20 2262000/2263000 Contact: Peterson Mwangi Email: Peterson.mwangi@equitybank.co.ke and Standard Chartered Bank Kenya Limited Chiromo, 48 Westlands Road P.O. Box 30001-00100, Nairobi, Kenya Contact:+254 20 329 300 Email: Shammah.sambili@sc.com	Daly & Figgis Advocates Lonrho House, 8th Floor P.O. BOX 40034-00100 Nairobi, Kenya Tel: +254 20 310304/5/6 Fax: +254 20 341009 Contact: Hamish Keith Email: KeithH@daly-figgis.co.ke
REPORTING ACCOUNTANT	REGISTRAR
PricewaterhouseCoopers The Rahimtulla Tower, Upper Hill P.O Box 43963-00100 Nairobi, Kenya Tel: +254 20 2855000 Fax: +254 20 2855001 Contact: Kang'e Saiti Email: Kange.saiti@ke.pwc.com	Image Registrars Limited Transnational Plaza, 8th Floor Mama Ngina Street P.O Box 9287-00100 Nairobi, Kenya Tel: +254 20 22303337/2212065 Fax: +254 20 2212120 Contact: Kipng'etich A.K Bett Email: kakbett@image.co.ke
MEDIA AND COMMUNICATIONS AGENCY	PUBLIC RELATIONS
Scanad Kenya Limited The Chancery, Valley Road P.O Box 34537-00100 Nairobi, Kenya Tel: +254 20 2799000 Fax:+ 254 20 2718772 Email: Eliud.Mutoro@scanad.com	Hill & Knowlton East Africa Limited Riverside Green Offices, Baobab Suite - 1st Floor, Riverside Drive P O Box 34537 00100 GPO Nairobi, Kenya Tel: 254 20 445 4461-8 Fax: 254 20 445 4460 Email: Michael.otieno@hillandknowlton.co.ke

1. Authorised Selling Agents

The Authorised Selling Agents ('ASAs') to this IPO are stockbrokers and investment banks who are Members of the Nairobi Stock Exchange that are licensed by the Capital Markets Authority and selected commercial banks. See Appendix I of this Manual.

2. Sponsoring Broker, Receiving Agent, Registrar & Receiving Banks

Standard Investment Bank limited ('SIB') and Kestrel Capital Ltd are the Joint Sponsoring Brokers. Image Registrars Limited ('IRL') is the Receiving Agent and the Registrar and their Office is on Transnational Plaza, 8th Floor, Mama Ngina Street, Nairobi. IRL is responsible for receiving all the batches from ASAs and subsequent processing. IRL will work closely with all ASAs to ensure an efficient and effective IPO processing. The Receiving Banks are Equity Bank Limited (Equity) and Standard Chartered Bank Kenya Ltd ('SCB'). All the banking will be done at both Equity and SCB. There are various deadlines that IRL, Equity and SCB will have to comply with as stipulated in the detailed timetable below.

3. Purpose of this Manual

The purpose of this Manual is to guide the ASAs of the IPO in their interaction with the investors in the IPO and with all the advisors for the IPO. In addition, the Manual will be used for training purposes.

4. Important Documents and Materials

The following documents and materials will be used in this IPO:

- a) The IPO Prospectus ;
 - b) This Authorized Selling Agents Manual;
 - c) The Application Form (see annexure I);
 - d) Batch Control Schedules (see annexure II);
 - e) Form of Irrevocable Bank Guarantee (see annexure III);
 - f) Form of Letter of Undertaking (see annexure IV) and
 - g) The IPO Timetable.
- It is expected that the ASAs will prominently display the posters provided within their premises during the IPO.
 - Printed copies of the Prospectus and the Share Application Form will be delivered to each of the Authorised Selling Agent's Head Offices. Printed Batch Control Schedule booklets have not been provided as the soft copy file should be used to prepare the schedules.
 - Soft copies i.e. pdf files of the Prospectus and Batch Control Schedule will all be available on a compact disk for each ASA to distribute as necessary
 - The CDS Forms are available from the offices of the Authorised Selling Agents.
 - Those ASAs who have automated systems are required to modify their systems in good time and conform to the sample provided and where necessary liaise with the Receiving Agent, Joint Sponsoring Stockbrokers or the Joint Lead Transaction Advisors to ensure compliance.

5. Detailed Role of the Authorised Selling Agents

ASAs are expected to undertake the following tasks:

- a) Conduct business within the confines of the CMA, NSE, CDSC, KASIB, and CBK regulations;
- b) Conduct business professionally within the confines of the Prospectus, Share Application Form, Batch Control Schedule, this Manual and the Authorised Selling Agents Agreement; Manual and the Authorised Selling Agents Agreement;
- c) Appreciate fully the IPO Logistics Timetable in this Manual;
- d) Understand the scope of work that may be involved and deploy adequate resources to complete the work within the strict deadlines in the IPO Logistics Timetable. Speed and accuracy are both equally important;

- e) Put in specific measures to eliminate fraudulent actions by staff and report any frauds to the JLTA, JLSB or Receiving Agent in writing immediately upon discovery;
- f) Take full responsibility for appointing, training and reconciliation with the Sub-Agents all well within the IPO deadlines;
- g) Act as professional advisors and assist potential investors in understanding the business of British-American and the IPO including the risks;
- h) To create a conducive environment for conducting business of the IPO;
- i) Ensure adequate security measures have been put in place in all the ASA premises;
- j) Ensure secure and reliable cash management systems have been put in place;
- k) Directly engage in marketing and other sales efforts directed to soliciting business for the IPO provided that any advertising is not misleading and where applicable is compliant with CMA regulations and subject to approval from British-American (use of logo requires approval);
- l) To assist investors complete the Share Application Form where applicable
- m) Ensure all Application Forms received have been accurately completed by the investor(s);
- n) Ensure adequate customer service staff to serve the investors so as to ensure reduction of queue time to an absolute minimum or at least below 3 minutes per investor;
- o) Ensure official receipts are issued for all monies received from investors;
- p) Ensure the 'acknowledgement section' of the Share Application Form is released to the investor;
- q) Ensure quality control is carried out during the process flow of documentation to reduce errors and act diligently to ensure that the number of rejections is as low as possible or eliminated altogether;
- r) Batch the Share Application Form per payment mode and deliver to the Receiving Agent daily and within the time provided for in the IPO Logistics Timetable;
- s) Carefully check and reconcile daily the payments made by either stockbrokers' or banker's cheque or global payment to the Receiving Agent. Also accurately account for irrevocable bank guarantees (confirm authenticity) and CDS Form 5 where lenders are involved;
- t) Explain the rejection policy to investors and minimize the number of rejections to an absolute minimum or less than 0.5% of total applications submitted;
- u) Ensure that reconciliation between investor, ASA and Receiving Agent is done daily, proactively, accurately and in writing between both parties. Reconciliation must be 100% before the allocation announcement by British-American;
- v) Deliver a soft copy of the master file of all applications to the Receiving Agent to facilitate reconciliation;
- w) Ensure that following the upload of the Shares in the CDS accounts that a sampling test is conducted to confirm that the number of Shares and the CDS account number are all correct for the chosen sample – report any inconsistencies immediately;
- x) Ensure that any refunds that are delivered to the ASA for the benefit of the investor ultimately reach the bona-fide investor in the shortest time possible. Cross-validate the EFT refund data to ensure that investors are paid correctly;
- y) Do all that is necessary and provide such additional services that will ensure the success of the transaction and maximum investor satisfaction.

6. IPO Logistics Timetable

1	Training of Authorised Selling Agents	Friday, July 8, 2011
2	Offer Opens	Tuesday, July 12, 2011
3	ASA's Commence delivery of completed batches to Receiving Agent	Tuesday July 12 2011
4	Offer Closes	Friday, August 5, 2011
5	Last Date and Time of Delivery of Application Forms	Friday, August 5, 2011
6	Last Date and Time of Delivery of Application Forms & Global Payment by ASAs to Receiving Agent	Monday, August 8, 2011
7	Submission by Receiving Agent of Final Global Application Statistics to ASAs	Thursday, August 18, 2011
8	Deadlines for Final Reconciliation between ASA and Receiving Agent – signoff	Friday, August 19, 2011
9	Submission to CMA for approval of allocation announcement	Monday, August 22, 2011
10	Deadline for Release of all Pledge CDS Form 5 by the ASA to CDSC for processing	Monday, August 22, 2011
11	Announcement of Allocation Results	Tuesday, August 23, 2011
12	Receiving Agent releases Global Guarantee List to Receiving Banks for subsequent call-ins	Tuesday, August 23, 2011
13	Date of Payment on Guarantees	Thursday, August 25, 2011
14	Preparation of share certificates	Thursday, August 25, 2011
15	Commencement of electronic crediting of CDS Accounts	Friday, August 26, 2011
16	Commence payment of Commission to ASA by British-American;	Friday, August 26, 2011
17	Electronic crediting of CDS Accounts over the weekend	Friday, August, 26, 2011
18	Commence dispatch of share certificates to ASAs	Friday, August, 26, 2011
19	Investors to commence collection of share certificates and defaulted refund cheques (where applicable) from ASAs	Friday, August, 26, 2011
20	Listing and commencement of trading on the Nairobi Stock Exchange	Friday, September, 2, 2011

7. Sub-Agent

ASAs who appoint Sub-Agents do so entirely at their own risk and take full responsibility in the entire processing of applications via the Sub-Agents. The Receiving Agent and the Receiving Banks shall not interact with any Sub-Agent.

8. Completion of the Share Application Form

Please read carefully the Applicants Statements as regards application for shares in the British-American IPO as well as the General Guidelines on the back of the Share Application Form for a full understanding on how to complete an application.

9. Payments

Authorised cheques are cheques drawn on stockbrokers or investment banks who are Members of the Nairobi Stock Exchange that are licensed by the Capital Markets Authority or licensed commercial banks. ASA will bank the cheques and make payments for the shares on behalf of the applicants via Global Payment System batches.

All Authorised Cheques must be in Kenya Shillings and should be drawn on a licensed commercial bank. Cheque payments mad directly to British-American MUST be Bankers Cheques and should be made payable to British American IPO-[Form Serial No] and be crossed "A/C payee only".. At the back side of the cheque, the following details should be written; Name and identification number of the applicant

Share Application Form Serial Number

- (i) Name and identification number of the applicant
- (ii) Mobile number
- (iii) Applicant ` s signature.
- (iv) Authorised selling agent code

For EFT/RTGS payments the ASAs will ensure that correct bank account details are inserted. The offer account details are as follows:

Bank: Standard Chartered Bank	Bank Name: Equity Bank Ltd
Name: British-American IPO	Name: British-American IPO
Account No: 010 60 20 67 62 00	Account No: 0180297461766
Domiciled: Kenyatta Avenue Branch	Domiciled: Community Corporate Branch
Swift Code: SCBLKENXXXX	Swift Code: EQBLKENA

10. Batching

The IPO Batch Control Schedule sample is contained in Appendix I and will be used for forwarding Share Application Forms. See details below:

- a) There are no different batch schedules for different forms;
- b) The ASA Code and stamp is required at the top of the batch control schedule;
- c) Bankers Cheques, EFT/RTGS, Global Payment System and Bank Guarantees MUST be batched separately at all times;
- d) There is a place to tick to indicate whether the batch is Global Payment System or Bank Guarantees;
- e) The ASA must number the batches– upto 5 digits can be used;
- f) One batch control schedule can have upto a maximum of 20 Share Application Forms listed;
- g) The batch should be dated, signed and stamped by the ASA;
- h) The ASA must appropriately fill the various columns of information: the Share Application Form Serial Number, number of Shares being applied for, the value of the Shares being applied for, the bank code (2 digits), branch code (3 digits) and the cheque number;
- i) The ASA is expected to pay KShs 30/- for each different CDS Account applicant that is batched. All ASA must collect the KShs.30 from all applicants with CDS accounts. This will be aggregated and invoiced by the processing agent after successful allotment per CDS account.
- j) The batch should be signed and stamped by the ASA;

- k) Three copies of each batch control schedule must be submitted to the Receiving Agents where one will be stamped and returned to the ASA.

11. Global Payments System ('GPS')

All ASAs who wish to use this facility are expected to adhere to the following in order to streamline the process:

- a) ASAs will batch applications under the global payment system separately and submit the batches to the Receiving Agent daily with or without payment;
- b) The Receiving Agent will aggregate the batches and send invoice to the ASA on a regular basis at the discretion of the Receiving Agent;
- c) ASAs are required to quote the invoice reference details when remitting banker's cheques or EFT/RTGS advice to the Receiving Agent;
- d) The Receiving Agent will send regular statements of all outstanding invoices for GPS batches to the ASAs to facilitate continuous reconciliation with the Receiving Agent;
- e) All EFT/RTGS payments must be supported by a credit transfer advice and other relevant details;
- f) ASAs must make full payment to the Receiving Agent for all the Shares as required;
- g) If an ASA fails to make the GPS payment by the required deadline as stipulated in the IPO Logistics Timetable above, this will constitute an event of default by the ASA;
- h) ASAs and the Receiving Agent must reconcile by the required deadlines.

12. Bank Guarantees

Any investor can use the guarantee to apply for the Shares. Please see the format outlined in the Prospectus. Note that the Share Application Form Serial Number will need to be stated clearly on the guarantee. The bank guarantee will be required to be attached to the Share Application Form but make sure the investor and the ASA retains a copy. It is expected that on announcement of the allocation on Shares, the Receiving Agent will inform the ASA of all the payments due on each of the guarantees so that their investors can be informed. The Receiving Bank will invoke the guarantees and collect payment for the Shares from the paying banks directly.

13. Rejections Policy

Application will be rejected for the following reasons:

- a) Any problem with a batch as indicated below;
 - Number of Shares applied for on an Batch Control Schedule differs from number of Shares on the Share Application Form ;
 - Amount on Batch Control Schedule differs from aggregate amount of application forms or where no payment has been received at all ;
 - Missing ASA stamp ;
 - Batches with stamps from two different ASAs.
- b) The number of Shares applied for is below the minimum or not in multiples set out in the Prospectus;
- c) The required payment for the Shares including the KShs. 30/- is insufficient;
- d) Any problem with the Authorised Cheques (as indicated below) including failure to ensure authorised cheque is appropriately labeled with the Form No in the payee section;
 - Post-dated or stale cheques will not be accepted;
 - Amount in words does not agree with amounts in figures;
 - Amount on cheques does not agree with amount on Application Form;
 - Mutilated or cancelled cheques;
 - Endorsed cheques will not be accepted.
 - Authorised Cheque has unauthenticated alterations
 - Cheque is not signed, or dated or if amount in figures and words do not tally or fraudulent cheques;
- e) Missing CDS 5 Form number/financing bank details in case of financed application;
- f) Missing bank name, bank code, branch name, or account number.
- g) Missing or inappropriately signed Application Form including:-
 - Primary signature missing from signatures box;
 - Joint signature missing from signature box;

- One or both of the two directors/official or a director and company secretary has/have not signed in the case of a corporate application;
 - Missing seal in the case of a corporate application of a company registered under the Companies Act.
- h) If any guarantee is deemed to be invalid for whatever reason.
 - i) Missing or illegible name of primary or joint applicant in any Application Form;
 - j) Missing or illegible identification number, including corporation registration number, or in the case of Kenyan residents (other than citizens), missing or illegible alien registration number;
 - k) Missing or illegible address (either postal or street address);
 - l) Missing Citizenship indicators (for primary Applicant in the case of an individual) or missing Tax Status indicators;
 - m) Missing or incomplete CDS Form no. 5 in the case of financed applications where the Offer Shares are to be taken as collateral;
 - n) Insufficient documentation is forwarded including missing tax exemption certificate copies for companies that claim to be tax exempt;
 - o) Failure to have payments made by the Authorized Selling Agent;
 - p) Failure to provide complete EFT/RTGS refund details as required or presence in the Application Form of alterations that cannot be accepted.
 - q) Multiple applications- Every applicant shall submit an application for the Offer Shares under only one set of names and using one identification number. An Applicant who applies in his/her name shall not be entitled to have Shares applied for him/her by a nominee entity or by other persons on his request or otherwise, or to create joint accounts/applicants for the purpose of multiple applications. A nominee entity must ensure that persons on whose behalf it applies for Offer Shares directly are beneficiaries of only one such application by nominee and that such person are not using nominee applications for purposes of submitting more than one application. In the event that an applicant is found to have submitted multiple applications, British-American reserves the right to reject any or all of the applications; In the case of individuals or entities, as the case may be, meeting the requirements described under the investor categories defined in the Prospectus and are resident or physically located outside Kenya, where such individuals or entities are not eligible to participate in the Offer or receive the Prospectus under the laws of their residency or location and the offer to such individuals or entities does not comply with the selling restrictions set out above under "Selling Restrictions" as provided in the Prospectus.
 - r) The application monies in respect of any rejected application shall be returned at the time set out for refunds.
 - s) Any other reason that may be deemed to invalidate the application.

NB: The application monies in respect of any rejected application shall be returned at the time set out for refunds.

The ASAs will present to the Receiving Agent all Authorised Cheques for payments on behalf of the Issuer. Delivery of an Application Form accompanied by an Authorised Cheque will constitute a warranty that the Authorised Cheque will be honored on first presentation. If any Authorised Cheque accompanying an application has already been accepted in whole or part, such acceptance will be rescinded and the Shares comprised therein allocated to another person upon such terms and conditions as the vendor sees fit.

British-American shall be under NO liability whatsoever should any Share Application Form fail to be received by the Receiving Agent or by any ASA by the closing date set out in the offer timetable.

In this regard, applicants should be aware that any Share Application Form and accompanying Authorised Cheques submitted after the closing date will be returned to the ASA where the forms were submitted, for collection by the applicant.

14. Reconciliation

Reconciliation will be carried out on a regular basis during the offer period. For the purposes of global payment system, all applications received from each ASA will be added up and invoiced accordingly. The value of the

invoice will be net of rejections. Un-reconciled items will be resolved with the ASA on a regular basis. All ASAs are expected to have completed their reconciled position by the date indicated on the time table. There will be no deviation from the time allowed in the time table.

15. Refund Policy

Refunds will ONLY be made through Electronic Funds Transfer (EFT) to an Applicant's bank account. EFTs will only be credited to accounts held with commercial banks.

Applicants are urged to complete the Application Form themselves and verify that their bank account details are correctly stated as required. If there are any mistakes, cancel the Application Form and use a new form. Provide the name of the bank, the branch and fill in the account number exactly as it appears on the bank statement. Applicants are also required to check for refunds with their banks from the date disclosed in the Prospectus.

The Receiving Agent will follow up rejected EFTs on a regular basis. Where an EFT has been rejected, the refund will be defaulted to cheque payments as in (b) below:

- a) Any delays in receipt of the EFT refund should immediately be addressed to the ASA and the Receiving Agent;
- b) Where an EFT is rejected, the refunds will be paid to Applicants through banker's cheques drawn in favour of the Applicants as evidenced in the Application Forms and will be delivered to the ASA for onward collection by the concerned Applicants. Applicants are required to collect their refunds immediately they have been released to the ASA. No refund cheques will be sent by mail. Neither British-American nor any of its agents will be responsible for any refund not received.

16. Fraud

All Authorised Agents are required to be extra vigilant in guarding against possible fraud attempts. Any suspicious activity should be reported at once to the Joint Lead Sponsoring Brokers and the Joint Lead Transaction Advisors. Possible frauds include:

- a) Switching banker's cheques: note that the Application Form No. must be stated in the payee;
- b) Fake Application Form: note that there is a 'British-American Logo' on all genuine Share Application Forms;
- c) Fake Guarantee/Letter of Undertaking: note that these are now required to include special reference numbers and must state the relevant Application Form No. In addition, they must be validated with the relevant commercial Bank/Investor.

The above is by no means exhaustive and is just for illustrative purposes.

APPENDIX I

AUTHORIZED SELLING AGENTS

British-American has appointed specific ASAs in connection with the IPO. These ASAs have signed selling agreements with British American which contain various terms and conditions that each ASA is required to comply with. The ASAs are (a) Members of the NSE that are issued with licenses by the CMA and (b) branches of selected commercial banks in Kenya. These ASAs are listed below.

MEMBERS OF THE NAIROBI STOCK EXCHANGE

Licensed Investment Banks	
<p>Standard Investment Bank Ltd 16th floor and Mezzanine Floor, ICEA Building, PO Box 13714-00800, Nairobi. Tel: 2220225/2228963 ipo@sib.co.ke</p>	<p>Faida Investment Bank 1st Floor, Windsor House, University Way PO Box 45236-00100, Nairobi. Tel: 243811-13 info@faidastocks.com</p>
<p>CFC Stanbic Financial Services Ltd CFC Stanbic Building, 2nd Floor Kenyatta Avenue PO Box 47198, 00100 Nairobi. Tel: 3638900, cfcs@cfcgroup.co.ke</p>	<p>African Alliance Kenya Investment Bank Trans National Plaza, 1st Floor Mama Ngina Street Tel: 2710978 info@africanalliance.co.ke</p>
<p>Dyer & Blair Investment Bank Ltd 10th Floor, Loita House, Loita Street PO Box 45396, 00100, Nairobi. Tel: 3240000 shares@dyerandblair.com</p>	<p>Suntra Investment Bank Ltd 7th & 10th Floors, Nation Centre, Kimathi Street PO Box 74016, 00200, Nairobi. Tel: 2870000 info@suntra.co.ke.</p>
<p>Renaissance Capital (Kenya) Ltd 6th Floor, Purshottam Place, Chiromo Road PO Box 40560-00100 Nairobi. Tel : 3601822/3682000 info@rencap.com</p>	<p>NIC Capital Limited NIC House, Masaba Road P.O. Box 44599-00100, Nairobi Tel: 2016482/3 invest@nic-capital.com</p>

Licensed Stockbrokers	
<p>Apex Africa Capital Limited P.O. Box 28987-00200, Nairobi Rehani House, 4th Floor, Koinange Street Tel: 242170/2220517 invest@apexafrica.com</p>	<p>Kingdom Securities Limited 5th Floor Co-operative House P.O. Box 48231- 00100, Nairobi. Tel: 3276000 info@kingdomsecurities.co.ke</p>
<p>ABC Capital Ltd 5th Floor, IPS Building, Kimathi Street PO Box 34137, 00100, Nairobi. Tel : 246036 crossfield@wananchi.com</p>	<p>Afrika Investment Bank Ltd Finance House, 9th Floor Loita Street P.O. Box 11019-00100, Nairobi Tel: 2210178/2212989 info@afrikainvestmentbank.com</p>
<p>Sterling Investment Bank Ltd Finance House, 11th Floor Loita Street P.O. Box 45080-00100, Nairobi Tel : 2213914/244077 info@sterlingstocks.com</p>	<p>Genghis Capital Limited 5th Floor, Prudential Assurance Building, Wabera Street PO Box 9959, 00100 Nairobi Tel: 2337535 Email: Info@genghiscapital.co.ke</p>
<p>Reliable Securities Ltd 6th Floor, IPS Building, Kimathi Street PO Box 50338, 00200, Nairobi. Tel: 2241350/4/79 info@reliablesecurities.co.ke</p>	<p>Drummond Investment Bank Ltd Hughes Building, 2nd Floor P.O. Box 45465-00100, Nairobi Tel : 318690/318689 info@drummond.com</p>
<p>Kestrel Capital (East Africa) Ltd 5th Floor, ICEA Building, Kenyatta Avenue PO Box 40005, 00100, Nairobi. Tel: 251758 info@kestrelcapital.com</p>	

The list of Commercial Banks in Kenya (in alphabetical order) that have been appointed as the Authorised Selling Agents for this Share Offer are as follows:

Commercial Banks	
<p>Barclays Bank of Kenya Ltd* Barclays Plaza, Loita Street PO Box 30120-00100 Nairobi Tel: +254 20 3267000/313364/2241270 Email: bbl.contact-centre@barclays.com</p>	<p>Consolidated Bank of Kenya Limited Consolidated Bank House, Koinange Street P.O. Box 67124-00200, Nairobi Tel: +254 20 2222051/2220175 Fax: +254-020-340864 Email: koinange@consolidated-bank.com</p>
<p>Equity Bank Ltd* Equity Centre, Hospital Road PO Box 75104-00200 Nairobi Tel: +254-20 2262000/2263000 Email: info@equitybank.co.ke</p>	<p>Family Bank Fourways Tower, Muindi Mbingu Street, P.O Box 74145 – 00200, Nairobi Tel: +254 20 318173/318940 Fax: +254 20 318174 Email: info@familybank.co.ke</p>
<p>National Bank of Kenya Limited* National Bank Building Harambee Avenue P.O. Box 72866 00200-City Square, Nairobi Tel: +254 20 2828000 Fax: +254 20-311444/222304 E-Mail: info@nationalbank.co.ke</p>	<p>Standard Chartered Bank Kenya Limited* Chiromo, 48 Westlands Road P.O. Box 30001-00100, Nairobi Tel:+254 20 329 300 Email: info@sc.com</p>

APPENDIX II - BRITISH AMERICAN IPO BATCH CONTROL SCHEDULE

ASA Code	ASA Name & Stamp	Bank Guarantees only (tick here)

Batch No :	Global Payment: (tick here)						
<table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <p>Use maximum 5 digits with no other characters</p>							

	A	B	C	D	E
No	SHARE APPLICATION FORM Number	Value of Shares applied for	Payment amount for Shares in Column B	Bank Code (5 digits)	Authorised Cheque Number
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
TOTALS					

Signature & Stamp of ASA :

FOR OFFICIAL USE ONLY			
Batch No.		Receiving Agent Stamp	To be completed in triplicate. Send original and duplicate copies to Receiving Agent Receiving Agent for stamping, following one stamped copy will be returned to the ASA.
Delivered By			
Received By			
Date			

APPENDIX III FORM OF GUARANTEE

LETTERHEAD OF COMMERCIAL BANK

Date:
The Group Managing Director
British-American Investments Company (Kenya) Limited
P O Box 30375-00100
Nairobi

Dear Sirs,

BRITISH-AMERICAN INVESTMENT COMPANY (KENYA) LIMITED – IPO GUARANTEE IN RESPECT OF PAYMENT FOR ALLOCATION OF SHARES TO [name of INVESTOR]

WHEREAS [name of investor] (“the Investor”) has by an application form dated [] applied for [] Offer Shares as set out in the Prospectus dated 29 June 2011 (“the British-American Offer Prospectus”). Capitalised terms used in this Guarantee shall have the meaning and interpretation given to such terms in the British-American Offer Prospectus.

AND WHEREAS it has been stipulated by you in the British-American Offer Prospectus that the Investor shall furnish you with an irrevocable on demand guarantee for the full value of the price of the Offer Shares.

AND WHEREAS we (name of Guarantor) have agreed to give this Guarantee:

NOW at the request of the Investor and in consideration of the Company agreeing to accept the investors Application Form on the terms set forth in Section 1.19 b) of the Prospectus and to permit payment by the Investor of the subscription price for such number of the Offer Shares applied for and in consideration of your allocating to the Investor the Offer Shares or such lesser number as you shall in your absolute discretion determine, we hereby irrevocably guarantee to pay you, forthwith upon your first written demand declaring the Investor to be in default and without delay or argument, such sum as may be demanded by you up to a maximum sum of Kenya Shillings _____ without your needing to prove or to showgrounds or reasons for your demand for the sum specified therein either by way of RTGS transfer to such bank account as shall be specified in your demand for payment (where the money payable is in excess of Kenya Shillings one million (Kshs.1,000,000) or banker’s cheque payable to British-American Investments Company (Kenya) Limited.

This Guarantee will remain in force up to and including 5.00 p.m. on 8 September 2011 and any demand in respect thereof should reach us not later than the above date and time.

This Guarantee shall be governed and construed in accordance with the laws of Kenya.
[due execution by authorised signatories]

APPENDIX IV: LETTER OF BANK UNDERTAKING

ON LETTERHEAD OF BANK/CUSTODIAN/QUALIFIED INSTITUTIONAL INVESTOR (QII)

The Group Managing Director
British-American Investments Company (Kenya) Limited
P O Box 30375
Nairobi-00100
Date:

Dear Sirs,

UNDERTAKING IN RESPECT OF PAYMENT ON ALLOCATION OF SHARES TO [name of QII]
WHEREAS [name of investor] (“the Investor”) have applied for [] ordinary shares (“the Shares”) in British-American Investments Company (Kenya) Limited (the “Company”) being offered by you for subscription as set out in the Prospectus dated 29 June 2011 (“British-American Offer Prospectus”). Capitalised terms used in this letter of undertaking shall have the meaning and interpretation given to such terms in the British-American Offer Prospectus.

NOW in consideration of the Company having agreed at our request to permit payment by us of the subscription price for such number of the Offer Shares which we have applied for and are allotted to us on the terms set forth in Section 1.19 b) v. of the Prospectus AND in consideration of you allotting to us the number of Shares we have applied for or such lesser number as you shall in your absolute discretion determine, we hereby undertake to pay you without cavil, forthwith upon your first written notice specifying how many of the Shares have been provisionally allotted to us, such sum not exceeding Kenya shillingscorresponding to the subscription price of such number of the Shares as you shall have provisionally allotted to us inclusive of any CDS expenses and net of all bank charges.

Should such payment not be made within two business days following the deemed service of such notice then the Company shall be entitled without further notice to either: treat our application as having been repudiated and cancel the provisional allotment to us and re-allocate the provisionally allotted Shares on such terms and conditions as it shall think fit without prejudice to any rights to damages for such repudiation or; to allow us further time for payment on such terms and conditions as it shall think fit in which event we shall pay default interest on all sums outstanding at the rate of 15% per annum calculated on daily balances and compounded monthly.

Any notice to be served on us shall be in writing and shall be deemed to have been properly served on us if delivered by hand or sent by fax or email to us at address specified in our Application Form.

Any notice shall be deemed to have been received, if delivered by hand, at the time of delivery or, if sent by fax, on the completion of transmission or if by email receipt of a confirmed delivery notice.

This undertaking shall be governed and construed in accordance with the laws of Kenya and we irrevocably submit to the non exclusive jurisdiction of the Courts of Kenya. If we are not a Kenyan Company and in addition to any other permitted means of service, we hereby irrevocably appoint the Authorised Selling Agent submitting our Application for Offer Shares as our agent for the receipt of any legal process.

IN WITNESS WHEREOF THIS LETTER OF UNDERTAKING HAS BEEN EXECUTED BY US THIS _____ DAY OF _____ 2011.

Signed By:

1) Name _____ Signature _____

Title _____

2) Name _____ Signature _____

Title _____

Note: Qualified Institutional Investors are Fund Managers, Authorized Depositories and Investment Banks licensed under the Capital Markets Act and Insurance Companies who manage life funds and licensed by the Insurance Regulatory Authority.



Head Office, British-American Centre www.british-american.co.ke
T/020.2833000, M/0722.205506 /0733687083, E/letstalk@british-american.co.ke