



THE UNITED REPUBLIC OF TANZANIA
 PRIME MINISTER'S OFFICE
 TANZANIA INVESTMENT CENTRE

FILE BEGINS

ENDS

PART

PART

FILE TITLE

FILE NUMBER

TICC

CONFIDENTIAL

PP. 10

042139

FILE NUMBER

TICC

INDEX HEADINGS

Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M
DIF	f1	sm	8/12/2011											
Chan	f1	G	8/12/11											
AgExD	m.1	GB	28/12/11											
DIF	f.4	sm	30/12/2011											
Dotto	f.4	GB	30/12/11											
AgExD	M.		5/01/12											

042139
 PP. 10

FONDERA ENGINEERING LTD

MINUTE SHEET

Dokezo
No.

Ag. EXD

The approved project has fulfilled the investment requirements, which are: -

(a) Minimum finance investment threshold has been exceeded, the project expects to invest USD 0.55m.....

(b) Legal entity has been incorporated under certificate

No. 67677..... of 25/09/2008

Based on the above, the letter of approval is hereby submitted for signature in order for the project to comply with the requirements of Section 17 of Tanzania Investment Act, 1997.

Submitted for signature.



Glory Bildard

Ag. DIF

28th December, 2011

EXD

In response to the TIC letter of registration dated 28th December 2011.....

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from EXIM Bank.....

(c) Lease Agreement as evidence of land.....

With the above submission EXD is requested to sign Certificate of Incentives No. 042139..... herein attached.

5/01/2012



DIF

MINUTE SHEET

Dokezo
No.

TANZANIA



Certificate of Incorporation

Section 15

No **67677**

I HEREBY CERTIFY THAT

FONDERA ENGINEERING LIMITED =====

is this day incorporated under the Companies Act, 2002 and that the Company is Limited

Given under my hand at Dar es salaam

this **25TH** day of **SEPTEMBER**

TWO THOUSAND AND EIGHT

A handwritten signature in black ink, appearing to read 'Mays', written over a dotted line.

Assist. Registrar of Companies

FONDERA ENGINEERING COMPANY LIMITED
CERTIFICATE OF INCORPORATION NO. 67677

**EXTRACT OF THE MINUTES OF EXTRAORDINARY BOARD
MEETING HELD AT COMPANY'S REGISTERED HEAD OFFICE IN
DAR ES SALAAM ON THE 28TH NOVEMBER, 2011 AT 10.00AM.**

"SPECIAL RESOLUTION":

Resolved that the company be authorized to undertake a project for manufacturing H.D.P.E., U.P.V.C plastic pipes at a total cost of **T.Shs. 550.0 million (USD 323,530)**. It was further resolved that the Directors should apply for a Certificate of Incentives from Tanzania Investment Centre and follow up vigorously until the document is obtained. There being no other business issues to be transacted upon, the meeting was adjourned at **12.00 Noon**.

FONDERA ENGINEERING LTD.
P. O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107-226-419



.....
MANAGING DIRECTOR



.....
SECRETARY

DATE:

..... **5/12/2011**

DATE:

..... **5/12/2011**



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We **SAID O.S. ABEID**
(director/directors/agent of **FONDERA ENGINEERING COMPANY LTD**
(name of business enterprise) apply for registration of **CERTIFICATE OF INCENTIVES**
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at **DAR-ES-SALAAM**

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
- (ii) Certificate of Incorporation/Registration
- (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
- (iv) Evidence of financing and evidence of land ownership for the project

3. The Head Office of the Company will be situated at **DAR-ES-SALAAM**

4. The Principal Officers of the Company are **MR. ASADIN A. AWESSO**

AND

MR. SAID O.S. ABEID

5. Auditors of the Company are **M/S FINANCIAL CONSULTANTS**
& SERVICES

6. The authorized share capital of the Company is Tshs./US\$ **20,000,000/=**

7. The intended capital investment of the Company in terms of Section 2(2) of the Act
is Tshs./US\$ 550,000,000/=.....
8. The month and day of the financial year end is DECEMBER, 31ST.....

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$
100..... Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, SAID O.S. ABEID..... of Post Office Number 90185.....
..... do solemnly and sincerely declare that I am a director/~~duly~~
~~authorized agent~~ of FONDERA ENGINEERING CO. LIMITED.....


AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, AND I make this solemn declaration conscientiously believing the same to be true.

Declared at Dar es Salaam }
..... }
The 7th day of DECEMBER..... 20..11. }

FONDERA ENGINEERING CO. LTD.
P.O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107 226-419


Applicant

Before me:


.....
Commissioner for Oaths



APPLICATION SUMMARY

Company Name: FONDERA ENGINEERING COMPANY LIMITED

Certificate of Incorporation Number: ...67677..... Status: ...PRIVATE.....

Certificate of Incorporation Date: ...25.9.2008.....

Post Box: ...90185.....

Town: ...DAR-ES-SALAAM.....

Sector: ...ENGINEERING..... **Sub-Sector:**-

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....-	.....100,000,000.....	.....-	.....450,000,000.....

Project Objectives: ...MANUFACTURING OF H.D.P.E.....

...AND U.P.V.C. PLASTIC PIPES.....

Capacity: ...34,000 TONS A YEAR.....

Employment: Foreign:-..... Local:30..... Total: ...30.....

Implementation Period: 1 YEAR.....

Project Location

Site/Plot/Block No.: ...TEMEKE.....

Street:-..... District: ...TEMEKE..... Region: ...DAR ES SALAAM.....

(Attach sketch map showing project location)

Shareholders	Nationality	%
1. MR. ASADIN ASADIN A. AWESSO.....	.....TANZANIAN.....	.....50.....
2. SAID O S ABEID.....	.....TANZANIAN.....	.....50.....
.....
.....
.....

Investment Breakdown -US\$/Tshs.M

Land/Building	.....110,000,000.....
Plant	.....160,000,000.....
Vehicles	.....130,000,000.....
Furniture & Fittings	.....30,000,000.....
Pre-expenses-.....
Others	.....120,000,000.....
Working Capital	.....
TOTAL	.....550,000,000

Contact Details:

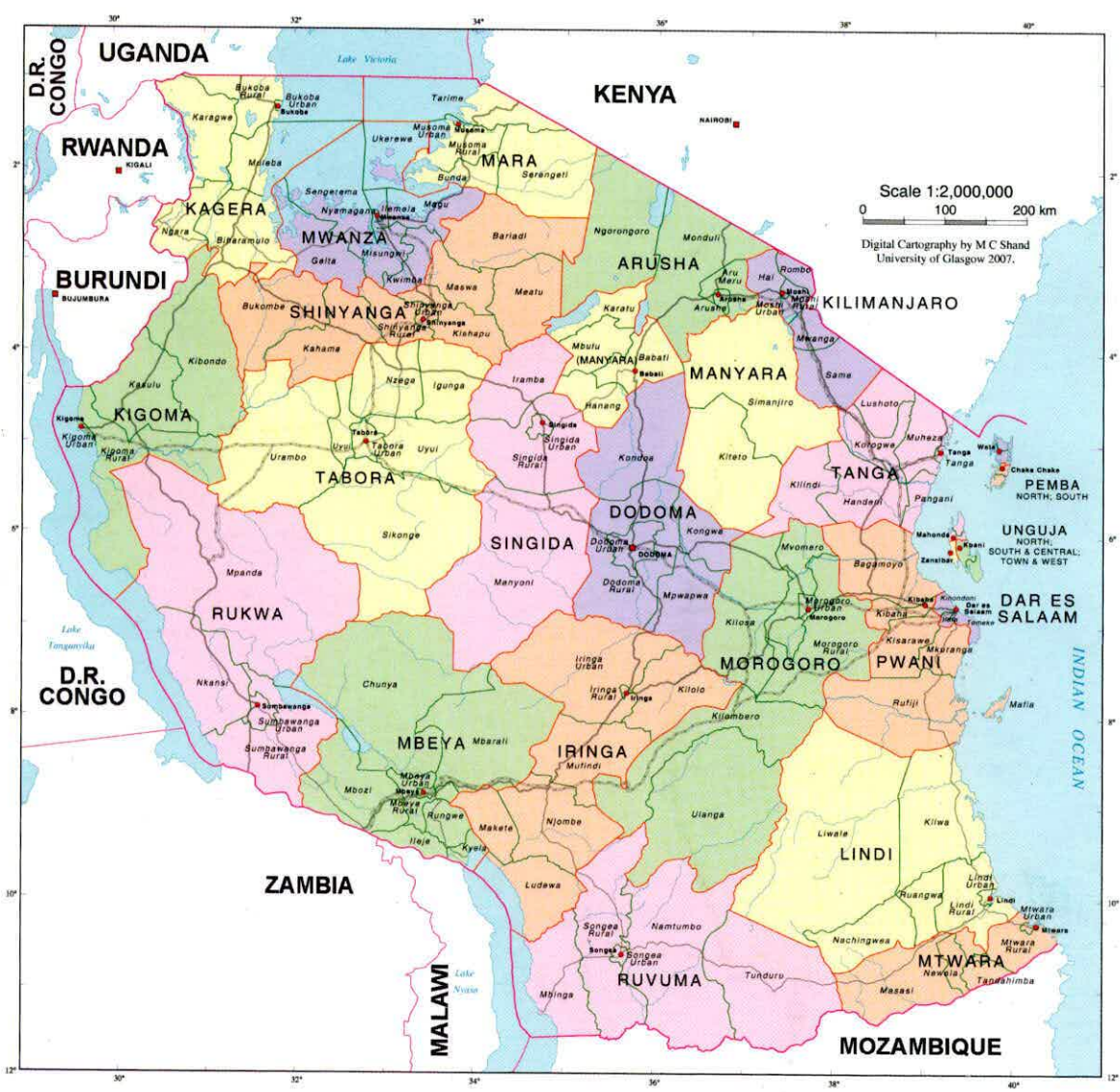
Name: ..MR. ASADIN A. AWESSO..... Title: ..MANAGING DIRECTOR.....
Telephone:+255.22.2857282..... Fax: 255.22.2857282.....
Email: MOB: 0713.289786.....

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLTZTX**
ACCOUNT NO.: **8702006002000**

SKETCH MAP SHOWING PROJECT LOCATION







TANZANIA REVENUE AUTHORITY

TRA/C/ P.20/08.

24th FEBRUARY, 2012

The Managing Director,
M/S Fondera Engineering Ltd
P. O. Box 938,
DAR ES SALAAM.

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO.042139/6 OF 31.1.2012**

We are writing in response to your 24.1.2012 and letter TICC/PP.10/042140/6 of 31.01.2012 from Tanzania Investment Centre regarding the captioned.

We hereby approve and submit **two-page list** of capital/deemed capital goods for facilitation of the project with the certificate of incentives mentioned above. It is a condition that locally manufactured items are to be purchased locally.

The approved goods will be subject to 0% import duty and VAT relief under the 3rd Schedule to the VAT Act, Cap 148; subject to completion of form VAT 224 duly approved by the Commissioner for Customs and Excise.

Sincerely yours,

Said Athumani

For: COMMISSIONER FOR CUSTOMS AND EXCISE

JCM/-

c.c. Manager - Tax exemptions

c.c. Regional Manager - ILALA

✓ c.c. Executive Director,
Tanzania Investment Centre,
P. O. Box 938,
Dar es Salaam

ISO 9001:2008 Certified

CUSTOMS & EXCISE DEPARTMENT

Sokoine Drive, P.O. Box 9053, Dar es Salaam, Tanzania

Tel: 255-22-2117765 or 255-22-2127783/4/6/8 Fax: 255-22-2138878/2135193

7611



09721

TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC005462

No.000229

Received from : FONDERA ENGINEERING LTD

Address P.O. Box 90185 Dar Es Salaam

Received the sum of (In words): ONE HUNDRED AND ZERO CENTS ONLY

Being payment in respect of : REGISTRATION FEE

Amount : USD 100.00

Cash / Cheque No: D/Deposit 05/12

Date : 05-Dec-2011

B. Uiso

Receiving Officer



TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC005706

No. 000464

Received from : FONDERA ENGINEERING LTD

Address P.O. Box 90185 Dar Es Salaam

Received the sum of (In words): SEVEN HUNDRED FIFTY AND ZERO CENTS ONLY

Being payment in respect of CERTIFICATE OF INCENTIVES FEES

Amount : USD 750.00

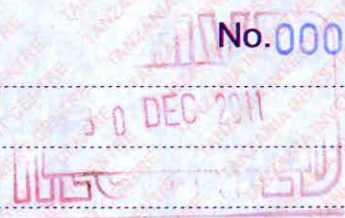
Cash / Cheque No: D/deposit 30/12

Date : 30-Dec-2011

J Simba

Receiving Officer

For Executive Director
Tanzania Investment Centre



MKATABA WA UPANGISHAJI.

Mimi **Asadin A. Awesso** wa P. O. Box 15897 Dar es Salaam. Leo tarehe 03 January 2012, nikiwa na akili timamu napangisha Godown lililopo kijiji cha Vikindu wilaya ya Mkuranga Mkoa wa Pwani kitongoji cha Picha ya ndege. Napangisha kwa **M/S Fondera Engineering Ltd** P.O. Box 90185 Dsm kwa kiasi cha kodi ya Tshs. 650'000/= kwa mwezi kwa kipindi cha miaka 15 (kumi na mitano), jumla ya **Tshs. 117'000'000/=** na amelipa zote.

Makubaliano maji na umeme pamoja na usafi ni jukumu la mpangaji, pamoja na matengenezo madogo madogo. Ikiwa mpangaji atakatisha mkataba kabla ya kipindi hicho kwisha, atoe notice ya miezi 6 ili niweze kupangisha mtu mwingine na gharama nitakata 3% kwa kukatisha mkataba ili nifanye marejesho.

Sahihi ya mwenye jengo:



Asadin A. Awesso.

Sahihi ya Mpangaji:



Fondera Eng. Ltd (Said O. Said.)

Shahidi wa Mwenye jengo:

.....

Shahidi wa Mpangaji:



Mwash
3/1/2012

TICC/PP.10/042139/3

28th December, 2011

Managing Director,
Fondera Engineering Co. Ltd.,
P.O. Box 90185,
DAR ES SALAAM

● **RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF MANUFACTURING OF HDPE, UPVC AND PLASTIC PIPES PROJECT**

We wish to acknowledge receipt of your project proposal to establish project for manufacturing of HDPE ,UPVC and plastic pipes as presented in the TIC P.A. 1 Form No. 09721 and Feasibility Study with a projected investment of USD 0.55m.

We have studied your project proposal and are pleased to inform you that your investment proposal is now officially registered and therefore your project will be granted a CERTIFICATE OF INCENTIVES, given under authority conferred upon TIC under Part III, Section 17 (1-8) of the Tanzania Investment Act, 1997. In order to enable TIC prepare your Certificate of Incentives, You will be required to submit the following:-

- - Certified document showing evidence of Land ownership for the location of the project.

You will also be required to submit to the Centre a Progress Report on the implementation of the project after every six months for our information and review. Guidelines for the preparation of the report are contained in annexure 2 also attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Please also note that a facilitation fee equivalent to US\$ 750.00 is payable at the ruling exchange rate before your Certificate of Incentives is prepared. Please make deposit direct to the bank as per bank details below:-

.../2

TICC/PP.10/042139/3

28th December, 2011

*Tanzania Investment Centre
Standard Chartered Bank (T) Ltd
US Dollar A/C 8702006002000
T.Shs A/C 0102006002000*

We wish you every success in the implementation of the project.

Yours sincerely,

TANZANIA INVESTMENT CENTRE



R.P. Mbilinyi

AG: EXECUTIVE DIRECTOR

Copy to: Permanent Secretary,
Ministry of Finance,
P. O. Box 9111,
DAR ES SALAAM

Permanent Secretary,
Ministry of Industry, Trade and Marketing,
P.O. Box 9503,
DAR ES SALAAM

Commissioner General,
Tanzania Revenue Authority,
P. O. Box 11491,
DAR ES SALAAM



TIC Evaluation Report

Name of the Company
Fondera Engineering Ltd.

Post Box	Temke	COI Number	67677	Contact	Mr. Asadin A. Awesso
Post Office	90185	COI Date	25/09/2008	Designation	Managing Director
Region	Dar Es Salaam	Application F. No	09721	Phone	022 2857282
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0713 289 786
		Sub Sector	Plastic Pipes	Fax	022 2857282
		File No	042139	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Temke	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>0.1</td> <td>0</td> <td>0.45</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.1	0	0.45			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	0.1		0	0.45									
Plot	0												
District	Temke												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.11
Said O. S. Abeid	Tanzanian	50	Plant	0.16
Asadin A. Awesso	Tanzanian	50	Vehicles	0.13
			Furniture & Fittings	0.03
			Pre-expenses	0
			Others	0.12
			Working Capital	0
			Total	0.55

Employment	30	Evaluated By	wf officer4
Capacity	34,000 tons pa.	Drawn By	wf regist3
Project Turn Over		Project Type	Local

Description

To establish project for manufacturing of HDPE ,UPVC and plastic pipes

Recommendations

Be approved subject to providing evidence as required by section 17 of Tanzania Investment Act,1997

Decision

Approved

 Ag EXD
 22 / 12 / 11

FONDERA ENGINEERING LTD

SPECIALIZES IN: Engine Reubuilrs&All Mechanical Engineering Services Mbagala Road, Mwembe yanga, Opposite

chou cha Bandari Temeke P.O. Box 90185, Dar es Salaam

Tel: +255 22 2857282, Fax: +255 22 2857282, +255 716 799 181

E-mail: njaakali@hotmail.com Website: www.fondera.co.tz

The Executive Director
Tanzania Investment Centre
P.O. Box 938,
DAR ES SALAAM.



Date: 7th December, 2011

Dear Sir,

RE: APPLICATION FOR A CERTIFICATE OF INCENTIVES.

We are submitting this application requesting for the abovementioned document for the purpose of implementing a project earmarked for manufacturing plastic pipes.

Enclosed please find herewith the following documents in support of our application

- (a) Two (2) copies of a Complete Business Plan
- (b) Three (3) copies of TIC forms duly filled in by a responsible company Director
- (c) One (1) Photostat copy of a Memorandum and Articles of Association
- (d) One (1) copy of a Certificate of Incorporation No. 67677
- (e) A copy of Board Resolution
- (f) A letter from the Bank
- (g) Photostat copy of a Tenancy Agreement with a Landlord

Yours Sincerely

For FONDERA ENGINEERINGCOMPANY LIMITED



Director

FONDERA ENGINEERING LTD.

**P. O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107-226-419**





**EXIM
BANK**

**TANZANIA INVESTMENT CENTRE
9A&B SHAABAN ROBERT STREET
P.O. BOX 938
DAR ES SALAAM**

TANZANIA

Dear SIR,

RE: FONDERA ENGINEERING (T) LTD

Refer to the heading above,

M/S Fondera Engineering is our esteem customer with the bank account number 0856757703 At our **EXIM TEMEKE** Branch. His business performance is good kindly assist to give any assistance required please do not hesitate to contact us when the need arises.

Thanks and regards

Joyce Andrew Sinamtwa
BRANCH MANAGER



Exim Bank (Tanzania) Ltd.

Temeke Branch
P. O. Box 42763, Dar es salaam.
Tel: +255 22 2863928/9 Fax +255 22 2863927
E-mail: eximtemeke@eximbank-tz.com
Website: www.eximbank-tz.com

FONDERA ENGINEERING LIMITED

P. O. BOX 90185 DAR ES SALAAM TANZANIA
TEL/FAX: 255 22 285782, Mob +255 713 289786
E-mail: osadin80@hotmail.com.

Date: 23/01/12 ..

5

Commissioner of Customs & Excise
Tanzania Revenue Centre,
P. O. Box 9053
DAR ES SALAAM.

Ufs
Executive Director,
Tanzania Investment Centre,
P. O. Box 938,
DAR ES SALAAM.



Dear Sir,

Re: DUTY & VAT EXEMPTION ON CAPITAL DEEMED CAPITAL GOODS FOR CERTIFICATE OF INCENTIVES NO: 042139

We are Tic approved project with certificate of incentives No: 042139 which is valid up to 2014.

The company has been registered with objectives of Manufacturing HDPL, UPVC and PLASTIC PIPES.

Attached herewith please find a list of Capital/Deemed Capital Goods for Duty/VAT exemption approved – NST AS PER BUS.

Yours sincerely

A handwritten signature in blue ink, appearing to be "M. M. M.", written over a horizontal line.

Managing Director

FONDERA ENGINEERING LTD.
P. O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107-226-419



NO	ITEM NAME	UNIT MEASUREMENT	Qty	ITEM GROUP	TIN	EXEMPTION REFERENCE NO:	EXEMPTION DATE
1.	HDPE LINE	-	2	MACHINERY	107-226-419		
2.	UPV C P.LINE	-	2	MACHINERY	107-226-419		
3.	HDPE GRANULATAR	-	2	MACHINERY	107-226-419		
4.	UPVC-GRN	-	2	MACHINERY	107-226-419		
5.	MIXER	-	4	MACHINERY	107-226-419		
6.	CRUSHER	-	10	MACHINERY	107-226-419		
7.	DRYER	-	5	MACHINERY	107-226-419		
8.	RECYCLE LINE	-	3	MACHINERY	107-226-419		
9.	COMPRESSOR AIR	-	5	MACHINERY	107-226-419		
10.	HEAVY TRUCKS AND TRAILERS	-	3	MOTORS	107-226-419		
11.	LIGHT TRUCKS	-	2	MOTOR	107-226-419		
12.	PICK-UP	-	1	MOTOR	107-226-419		
13.	LANDCRUSER HARDTOP	-	1	MOTOR	107-226-419		
14.	FORKLIFT	-	2	MOTOR	107-226-419		
15.	GENERATOR	-	2	MACHINERY	107-226-419		
16.	HYDROLIC SIDE LOADER	-	1	MACHINERY	107-226-419		
17.	MANUAL TRUCK PUMP	-	5	MACHINERY	107-226-419		
18.	CHAIN BLOCK	-	4	MACHINERY	107-226-419		
19.	ELECTRIC PANEL	-	15	MACHINERY	107-226-419		
20.	PRESSING BALE	-	1	MACHINERY	107-226-419		
21.	POWER EXCEL 8-24INCH	-	1	MACHINERY	107-226-419		
22.	DRILLING MACHINE	-	1	MACHINERY	107-226-419		
23.	PRESSER TEST	-	2	MACHINERY	107-226-419		
24.	HOVING MACHINE	-	2	MACHINERY	107-226-419		
25.	CATHER	-	3	MACHINERY	107-226-419		
26.	VERTICAL MILLING	-	2	MACHINERY	107-226-419		
27.	BORING MACHINE	-	2	MACHINERY	107-226-419		
28.	VERTICAL GRINDING MACHINE	-	1	MACHINERY	107-226-419		
29.	SLOTING MACHINE	-	1	MACHINERY	107-226-419		

30.	GEAR HOBBERS MACHINE	-	1	MACHINERY	107-226-419		
31.	ELECTRIC WIRE FOR INSTALLATION	-	15 ROLLS	MACHINERY	107-226-419		
32.	WELDING MACHINE	-	3	MACHINERY	107-226-419		
33.	COMPUTERS	-	6	MACHINERY	107-226-419		
34.	SHAFT GRINDING MACHINE	-	2	MACHINERY	107-226-419		
35.	TROLLEYS	-	20	MACHINERY	107-226-419		
36.	VALVE CUTTER	-	2	MACHINERY	107-226-419		
37.	SHAPER MACHINERY	-	1	MACHINERY	107-226-419		
38.	REFACING MACHINE	-	1	MACHINERY	107-226-419		
39.	FIRE EXTINGUISHER	-	15	MACHINERY	107-226-419		
40.	AIR EXCHANGER INSTRUMENT	-	1	MACHINERY	107-226-419		
41.	CHILLER	-	4	MACHINERY	107-226-419		



FONDERA ENGINEERING LTD.

P. O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107-226-419

This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders

	Nationality	Shareholding (%)
Said O. S. Abeid	Tanzanian	50
Asadin A. Awesso	Tanzanian	50
.....
.....

2. Proposed Activities : To establish project for manufacturing of HDPE, UPVC and plastic pipes

3. Sector: Manufacturing Subsector Plastic Pipes

4. Investment cost: Foreign - Local USD 0.55m. Total USD 0.55m.

5. Project Financing:

Equity	Loans	Total
<u>USD 0.1m.</u>	<u>USD 0.45m.</u>	<u>USD 0.55m.</u>

6. Source, terms and conditions of loan.....

7. Assets to be invested:

	Foreign	Local	Total
Capital items:	-	USD 0.55m.	USD 0.55m.

8. Technology Agreement None

9. Date of TIC Registration: 28th December 2011

10. Implementation period December 2011 - November 2014

11. Operative date December 2014

12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
 - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
 - (iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)

13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.

14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre

15. Additional conditions attached to Certificate

None

Signed 
Ag. Executive Director

TIC

FONDERA ENGINEERING LTD

SPECIALIZES IN: Engine rebuilders & All Mechanical Engineering Services

Temeke/ Mwembe Yanga, Opp. Chuo cha Bandari

P.O. BOX 90185, Dar es Salaam, Tanzania

7

=====

COMMISSIONER FOR CUSTOMS & EXCISE,

05th March, 2012

TANZANIA REVENUE AUTHORITY,

P.O. BOX 9053,

DAR ES SALAAM

U.F.S

THE EXECUTIVE DIRECTOR – TIC

Tanzania Investment Centre

P.O BOX 938

DAR ES SALAAM



Dear Sir

**RE:- APPEAL FOR UTILITY VEHICLES FOR
PROJECT FACILITATION**

We refer to your letter ref. No. TRA/C/P. 20/08 dated on the 24th February, 2012 regarding the above captioned subject, and do here by appeal that the vehicles rejected utility for project facilitation should be granted duty free on the grounds that those will be deployed in transporting waste materials from the collecting centre to the factory producing HDPE UPVC and plastic pipes, this keeping the places in clean environment, geared towards the efforts of maintaining good health for the nation.

Yours Sincerely,

A handwritten signature in blue ink, appearing to be "A. Patel", written over a horizontal line.

DIRECTOR



FONDERA ENGINEERING LTD.
P.O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107-226-419



TANZANIA REVENUE AUTHORITY

TRA/C/ P.20/08.

24th FEBRUARY, 2012

The Managing Director,
M/S Fondera Engineering Ltd
P. O. Box 938,
DAR ES SALAAM.

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO.042139/6 OF 31.1.2012**

We are writing in response to your 24.1.2012 and letter TICC/PP.10/042140/6 of 31.01.2012 from Tanzania Investment Centre regarding the captioned.

We hereby approve and submit **two-page list** of capital/deemed capital goods for facilitation of the project with the certificate of incentives mentioned above. It is a condition that locally manufactured items are to be purchased locally.

The approved goods will be subject to 0% import duty and VAT relief under the 3rd Schedule to the VAT Act, Cap 148; subject to completion of form VAT 224 duly approved by the Commissioner for Customs and Excise.

Sincerely yours,

Said Athumani

For: COMMISSIONER FOR CUSTOMS AND EXCISE

JCM/-

- c.c. Manager - Tax exemptions
- c.c. Regional Manager - ILALA
- c.c. Executive Director,
Tanzania Investment Centre,
P. O. Box 938,
Dar es Salaam

ISO 9001:2008 Certified

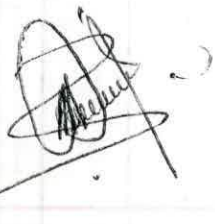
CUSTOMS & EXCISE DEPARTMENT

Sokoine Drive, P.O. Box 9059, Dar es Salaam, Tanzania

NO	ITEM NAME	UNIT MEASUREMENT	Qty	ITEM GROUP	TIN	EXEMPTION REFERENCE NO:	EXEMPTION DATE
1.	HDPE LINE	-	2	MACHINERY	107-226-419		
2.	UPV C P.LINE		2	MACHINERY	107-226-419		
3.	HDPE GRANULATAR	-	2	MACHINERY	107-226-419		
4.	UPVC-GRN	-	2	MACHINERY	107-226-419		
5.	MIXER	-	4	MACHINERY	107-226-419		
6.	CRUSHER	-	10	MACHINERY	107-226-419		
7.	DRYER	-	5	MACHINERY	107-226-419		
8.	RECYCLE LINE	-	3	MACHINERY	107-226-419		
9.	COMPRESSOR AIR	-	5	MACHINERY	107-226-419		
10.	HEAVY TRUCKS AND TRAILERS	-	3	MOTORS	107-226-419		
11.	LIGHT TRUCKS	-	2	MOTOR	107-226-419		
12.	PICK-UP		1	MOTOR	107-226-419		
13.	LANDCRUSER HARDTOP	-	1	MOTOR	107-226-419		
14.	FORKLIFT	-	2	MOTOR	107-226-419		
15.	GENERATOR	-	2	MACHINERY	107-226-419		
16.	HYDROLIC SIDE LOADER	-	1	MACHINERY	107-226-419		
17.	MANUAL TRUCK PUMP	-	5	MACHINERY	107-226-419		
18.	CHAIN BLOCK	-	4	MACHINERY	107-226-419		
19.	ELECTRIC PANEL	-	15	MACHINERY	107-226-419		
20.	PRESSING BALE	-	1	MACHINERY	107-226-419		
21.	POWER EXCEL 8-24INCH	-	1	MACHINERY	107-226-419		
22.	DRILLING MACHINE	-	1	MACHINERY	107-226-419		
23.	PRESSER TEST	-	2	MACHINERY	107-226-419		
24.	HOVING MACHINE	-	2	MACHINERY	107-226-419		
25.	CATHER	-	3	MACHINERY	107-226-419		
26.	VERTICAL MILLING	-	2	MACHINERY	107-226-419		
27.	BORING MACHINE	-	2	MACHINERY	107-226-419		
28.	VERTICAL GRINDING MACHINE	-	1	MACHINERY	107-226-419		
29.	SLOTING MACHINE	-	1	MACHINERY	107-226-419		

Handwritten signature

30.	GEAR HOBBER MACHINE	-	1	MACHINERY	107-226-419		
31.	ELECTRIC WIRE FOR INSTALLATION	-	15 ROLLS	MACHINERY	107-226-419		
32.	WELDING MACHINE	-	3	MACHINERY	107-226-419		
33.	COMPUTERS	-	6	MACHINERY	107-226-419		
34.	SHAFT GRINDING MACHINE	-	2	MACHINERY	107-226-419		
35.	TROLLEYS	-	20	MACHINERY	107-226-419		
36.	VALVE CUTTER	-	2	MACHINERY	107-226-419		
37.	SHAPER MACHINERY	-	1	MACHINERY	107-226-419		
38.	REFACING MACHINE	-	1	MACHINERY	107-226-419		
39.	FIRE EXTINGUISHER	-	15	MACHINERY	107-226-419		
40.	AIR EXCHANGER INSTRUMENT	-	1	MACHINERY	107-226-419		
41.	CHILLER	-	4	MACHINERY	107-226-419		




FONDERA ENGINEERING LTD.
P.O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107-226-419

CTIN.: 00310043



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION

FOR

TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT

FONDERA ENGINEERING LIMITED.

.....

has been registered with the Tanzania Revenue Authority and assigned the Taxpayer Identification Number

107-226-419

.....

with effect from

07-Oct-2008

.....

A handwritten signature in dark ink, appearing to read 'Joannes N. A. Mally', is positioned above the printed name.

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

NO.	ITEM NAME	QTY
1.	TRUCKS AND TRAILERS	3
2.	LIGHT TRUCK	2
3.	PICK UP	1
4.	HARD TOP LAND CRUISER	1



FONDERA ENGINEERING LTD.
P. O. Box 90185
DAR ES SALAAM
TANZANIA
TIN: 107-226-419

certified true copy
of the original
Signature: [Signature]
Date: 06/03/2012.
For: Executive Director
Tanzania Investment Centre



00218340

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042139

This is to certify that

FONDERA ENGINEERING LTD

of address P.O. BOX 90185

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~XXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXX~~ enterprise known as

FONDERA ENGINEERING LTD

Which is located at VIKINDU VILLAGE, MKURANGA

COASTAL REGION

Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

[Signature]

Ag. Executive Director

Tanzania Investment Centre
P.O. Box 938, Dar es Salaam

Dated 5TH JANUARY 2011



This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders
- | Shareholders | Nationality | Shareholding (%) |
|------------------|-------------|------------------|
| Said O. S. Abeid | Tanzanian | 50 |
| Asadin A. Awesso | Tanzanian | 50 |
2. Proposed Activities : To establish project for manufacturing of HDPE, UPVC and plastic pipes
3. Sector: Manufacturing Subsector Plastic Pipes
4. Investment cost: Foreign - Local USD 0.55m. Total USD 0.55m.
5. Project Financing:
Equity USD 0.1m. Loans USD 0.45m. Total USD 0.55m.
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|----------|-------------------|-------------------|
| | <u>-</u> | <u>USD 0.55m.</u> | <u>USD 0.55m.</u> |
8. Technology Agreement None
9. Date of TIC Registration: 28th December 2011
10. Implementation period December 2011 - November 2014
11. Operative date December 2014
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
- (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
 - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
 - (iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
- (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
- None

Signed 
Ag. Executive Director

TICC/PP.10/042139/6

31/01/2012

Commissioner for Customs & Excise,
Tanzania Revenue Authority,
P.O. Box 9053,
DAR ES SALAAM

Dear Sir,

**RE: DUTY/ VAT REMISSIONS ON CAPITAL/ DEEMED CAPITAL
GOODS – CERTIFICATE OF INCENTIVES No: 042139**

M/S Fondera Engineering Limited is a TIC registered company with certificate of incentives **No. 042139** which is valid up to **May 2014**

The company has been registered with objectives of establishing a project for manufacturing of HDPE, UPVC and plastic pipes.

Attached herewith please find a list of Capital/ Deemed Capital Goods for Duty/ VAT remissions approval.

Yours sincerely

TANZANIA INVESTMENT CENTRE


N.A. Senzia

FOR: EXECUTIVE DIRECTOR

TICC/PP.10/042139/8

08/03/2012

Commissioner for Customs & Excise,
Tanzania Revenue Authority,
P.O. Box 9053,
DAR ES SALAAM

Dear Sir,

**RE: DUTY/ VAT REMISSIONS ON CAPITAL/ DEEMED CAPITAL
GOODS – CERTIFICATE OF INCENTIVES No: 042139**

M/S Fondera Engineering Limited is a TIC registered company with certificate of incentives **No. 042139** which is valid up to **May 2014**

The company has been registered with objectives of establishing a project for manufacturing of HDPE, UPVC and plastic pipes.

The Company is appealing for utility vehicles for the facilitation of the project.

Attached herewith please find **a list of Utility vehicles** for Duty/ VAT remissions approval.

Yours sincerely

TANZANIA INVESTMENT CENTRE



Revocatus Arbogast

FOR: EXECUTIVE DIRECTOR

**BUSINESS PLAN FOR THE ESTABLISHMENT OF A
MEDIUM SIZED PLANT FOR THE PRODUCTION OF
PLASTIC PIPES IN DAR ES SALAAM.**

PROMOTER: M/S FONDERA ENGINEERING CO. LIMITED

P. O. BOX 90185

TEL: 0713 -289786

DAR ES SALAAM.

PREPARED BY:

RONDO CORRIDOR LIMITED

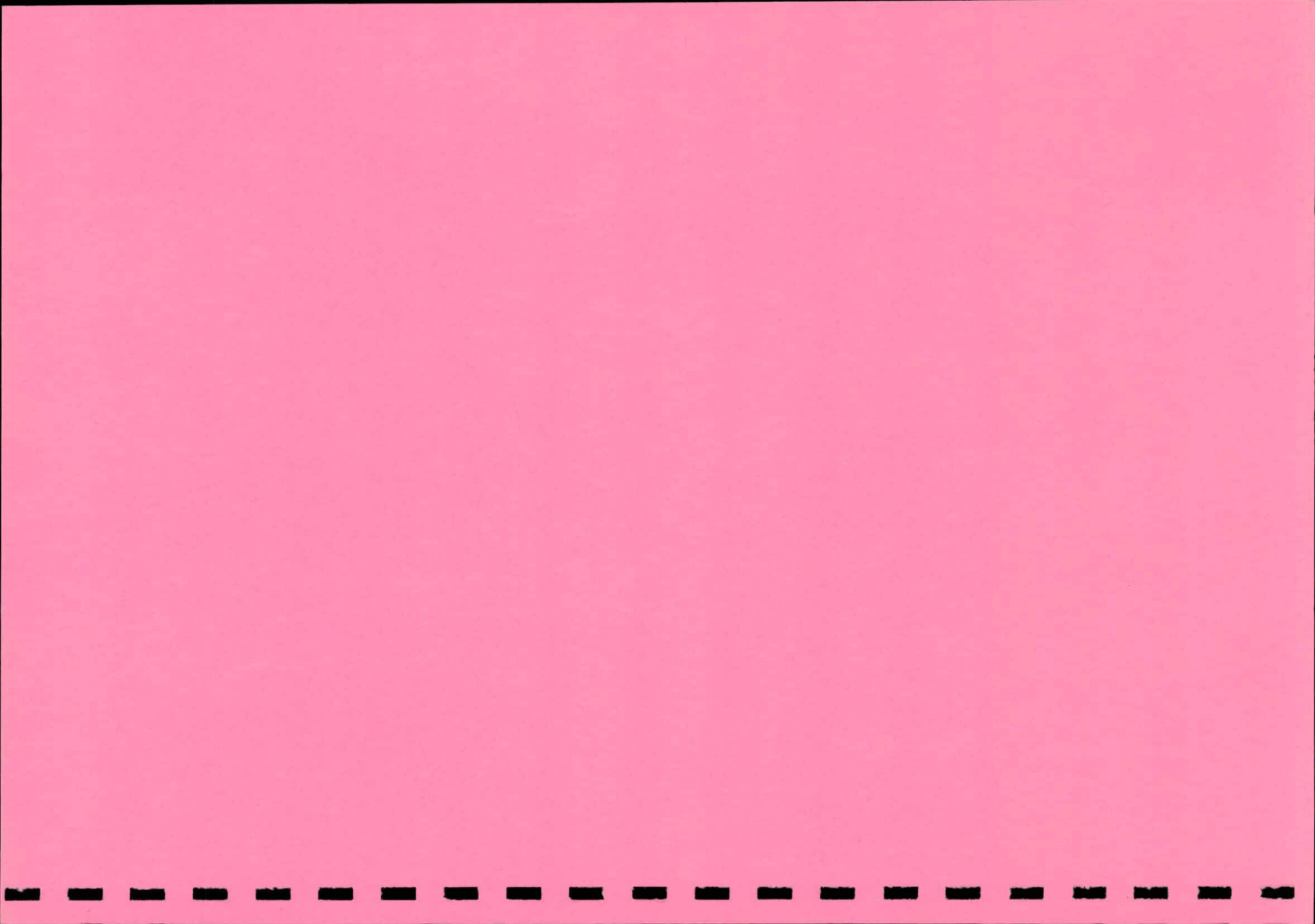
BUSINESS CONSULTANTS

P.O. BOX 6632

TEL: 0787 - 947684

DAR ES SALAAM.

DECEMBER, 2011



**BUSINESS PLAN FOR THE ESTABLISHMENT OF A
MEDIUM SIZED PLANT FOR THE PRODUCTION OF
PLASTIC PIPES IN DAR ES SALAAM.**

PROMOTER: M/S FONDERA ENGINEERING CO. LIMITED

P. O. BOX 90185

TEL: 0713 -289786

DAR ES SALAAM.

PREPARED BY:

RONDO CORRIDOR LIMITED

BUSINESS CONSULTANTS

P.O. BOX 6632

TEL: 0787 - 947684

DAR ES SALAAM.

DECEMBER, 2011

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1.0 EXECUTIVE SUMMARY:

The plan calls for the establishment of a medium sized plant with a prime objective of manufacturing H.D.P.E, U.P.V.C plastic pipes. The project has been plastic pipes. The project has been conceived by **M/s FONDERA CO. LTD** a company experienced in this type of business for a considerable number of years now. The estimated capital investment cost of this project is T.shs. 550.0 Million equivalent to (*USD 323,530*) taken at an exchange rate of 1 USD to T.shs. 1,700/= . The recycled materials will be used in producing these products. There is a very big market potential for those types of products in Dar es Salaam as the city is expanding in line with the country's development plan as well as expansion in the construction industry.

1.1 ECONOMIC AND SOCIAL BENEFITS:

As a result of implementing this project the people especially city residents will benefit in the following ways:-

- (a) From the socio-economic point of view the project will create job opportunities to some people residing in Dar es Salaam. About 30 people will be employed ranging from managerial to unskilled personnel.
- (b) The Government will earn substantial revenue in the form of corporate taxes, imposed on the operating profits. About T.shs. 628.0 million will go to the Government coffers annually.

- (c) Plastic business being commercially a viable proposition will have some multiplier effect on other economic activities being carried out by the people in Dar es Salaam region and elsewhere in upcountry regions.
- (d) The project is socially desirable by the society as the beneficiaries i.e. the city residents will derive full benefits by living in cleaner and healthier environment.

2.0 SOURCE OF RAW MATERIALS:

The raw materials to be used in producing the plastic pipes will mainly be selected recycled and re-useable materials. Market potential for recyclable materials in Dar es Salam is enormous and this includes also demand for re-use and composting products. A snap survey of demand from potential clients for recycled and re-usable materials indicate the following position as per table below:-

Item	Potential Ton/Year	Demand Ten/Year	Cost per ton	Sales price per ton
			T.Shs.	T.Shs.
Paper (waste)	2,800	1,200	30,000	100,000
Plastic scraps	1,500	1,200	30,000	100,00
Re-usable bottles	800	600	60,000	150,000
Garbage bags	33,800	20,280	1,800 per package	2,500 Per package

Based on the analysis undertaken as shown in the above table it appears that there are no major problems foreseen in obtaining the raw materials. Above all currently there are NGOs, CBOs, collaborating with three Dar es Salaam Municipalities in the campaign of keeping the city clean with specific objectives of:-

- Keeping the city clean through cleaning, solid waste collection, sorting, re-use, re-cycle and disposal.
- Promoting the marketing of re-usable and re-cyclable waste as inputs to small and micro-enterprises.
- Promoting use of garbage bags at household level for cleaner environment and hygienic waste handling.
- Promoting local capacities in solid waste management.
- Encouraging small scale manufacturing companies to use the sorted and recycled materials as inputs to their manufacturing products.

2.1 CAPITAL INVESTMENT COST:

The estimated capital investment cost for this project is T.shs. 550.0 million broken down as indicated below:

(a)	Machinery and Equipment	T.Shs.	160.0 million
(b)	Building Renovation	T.Shs.	110.0 million
(c)	Raw material purchases	T.Shs.	120,0 million
(d)	Motor Vehicles		
	3 Scania Trucks units		
	Fuso 7½ tons		130.0 million
(e)	Generator 2 pcs	T.Shs.	30.0 million

GRAND TOTAL T.SHS. 550.0 MILLION

2.2 CAPITAL CHARGES:

Economic depreciation has been worked out on all fixed assets over their useful economic lifetime based on straight line method. The assumptions adopted are that, Machinery and Equipment depreciate at 12.5%, while Motor Vehicles are depreciated at 25%. In monetary terms these charges are indicated in the table overleaf.

T.SHS. (000's)

Item/Year		0	1	2	3	4 - 10
1.	Motor vehicles	130,000	32,500	32,500	32,500	32,500
2.	Machinery and Equipment	160,000	20,000	20,000	20,000	20,000
TOTAL DEPRECIATION		-	52,500	52,500	52,500	52,500
CUMULATIVE DEPRECIATION		-	52,500	105,000	157,500	210,000

3.0 MANPOWER REQUIREMENT:

A plant of this size will require a total labour force of 30 people ranging from managerial to unskilled staff.

The breakdown and their remunerations is shown in the table overleaf.

Designation	No.	Salary per Month	Salary per Annum (p.a)
General Manager	1	16,000,000	19,200
Production Manager	1	600,000	7,200
Marketing/Sales Manager	1	500,000	6,000
Accountant	1	500,000	6,000
Computer Operator	1	300,000	3,600
Machine Operators	4	300,000	14,400
Store Keeper	1	250,000	3,000
General Labourers	18	200,000	43,200
Security Guards	2	200,000	4,800
GRAND TOTAL	30	-	107,400

4.0 PRODUCTION CAPACITY:

A. 1st Stage: A CRUSHER:

The capacity of a crusher is 250 -350 kg an hour. The crushing machine is equipped with a large volume of storage bin and the equipment with overload protection device to ensure that the equipment can run safely without hesitation.

B. 2nd Stage: Preparation of Raw Materials:

The product name is PE/HDPE granulator production line. The following is the equipment list:

- ➔ SJ – 65/20 single screw extruder.
- ➔ Pelletizing mould die.
- ➔ Water tank measuring 2 metres.
- ➔ Blowing Dryer and Cutter.
- ➔ Storage Hopper/Silo

C. 3rd Stage (This is the last stage):

Here the product line is: HDPE extrusion line (0.5 – 4”).

The equipment list is as follows:-

→ SJ – 65/30 single screw extruder.

→ Mark line extruder SJ -25/25

→ Moulds 0.5 – 4 inch.

→ Vacuum calibrating cooling water tank 2.

→ Haul –off – machine, Cutter, Pipe stacker.

→ Double Station Winder.

Extruding Capacity is 60-120kg/hr. For 1 hour production stands at 120kgs 24 hours=2,880kgs of raw materials.

1 tone can produce 45 pipes ($\frac{3}{4}$ plastic pipe). This simply means that production per day stands at 45 pipes =112.5 pipes a day.

Production per day= 112.5 \approx 113 pipes working to the nearest tenth.

113 pipes x 312 days= 35,256 pipes a year.

4.1 RAW MATERIAL COLLECTION:

The raw materials will be collected from local areas of DSM, Mbagala Kigamboni and Tanga, Morogoro Mwanza Dodoma towns in up country regions.

A crusher will be put in each station. Based on the above analysis it is projected that beginning the first year production of pipes will stand at 35,000 pipes only.

35,000 x selling price of T.shs. 55,000 per pipe=

T.shs. 1,925,000 a year.

= **T.shs. 1.9 billion a year.**

5.0 THE MARKET:

The products to be manufactured in this plant will mainly be used in residential and commercial premises. There is a very big market potential in the building industry in Dar es Salaam and other towns in up country regions as this being the largest in the country is growing rapidly in line with the country's development plan. The study undertaken sometime in the year 2006 to assess the market environment of this industry has indicated that the construction and building industry is likely to expand substantially during the next ten years due to the following demand factors:-

- The construction industry is the largest sector in the country's investment programme, hence there are concerted efforts to encourage development of this sector.
- Massive investments of public resources in construction activities lead to the need for improvement in the construction industry particularly the Housing Sector in order to enhance quality works.
- The Government has up to the end of the year 2010 collected revenue amounting to T.shs. 80.0 billion which some of these funds have been utilized in the building/construction industry.

Dar es Salaam with its estimated population of 5.0 million people is expanding rapidly in line with the city's development plan. Although the administrative city has been designated to Dodoma, but Dar es Salaam will still remain to be the centre for all industrial and commercial activities in the years ahead, as most of the International Organizations are based here. Needless to say construction of new commercial buildings is being done at a very fast rate. Therefore the market is assured.

6.0 BUSINESS STRATEGY:

In order to meet customers demand the company will develop and implement the following strategies aimed at wooing the market and attain big market share in the shortest time possible. These are:-

- Growth strategy.
- Service strategy.
- Human resources strategy.
- Advertising.

6.1 GROWTH STRATEGY:

The promoter will to the greatest extent possible embark on the program of undertaking in house training for its workers for good governance in production, marketing and financial matters geared towards the efforts of improving the business's profit performance.

6.2 HUMAN RESOURCE STRATEGY:

During the last three decades it has been advocated that people are the most mismanaged assets in companies, be it in developed or developing countries.

For this reason the company plans to recruit staff strictly on merit basis taking into consideration their educational qualifications and proven record of experience in this particular field.

6.3 SERVICE STRATEGY:

In order to improve the quality of service the company will render efficient and effective services through improved channels of distribution to customers at less expensive cost.

6.4 ADVERTISING:

Advertising which forms part of marketing strategy for any business will be embarked upon in a manner befitting the promotional role of any business undertaking.

7.0 OPERATING EXPENSES:

The main operating expenses for this project will be salaries and wages, raw materials purchase, fuel consumption, telephone & faxes, machinery maintenance, electricity and water and interest payment. The basis for determining these expenses are discussed below:-

(a) SALARIES AND WAGES:

These are based on labour law and legislation. For this reason they are projected at **T.shs. 107.4 million** in the first year, increasing up to **T.shs. 125.0 million** by the end of the projected period.

(b) RAW MATERIALS PURCHASE:

Material purchases have been projected at **T.shs. 380.0 million** in the first year increasing up to **T.shs. 950.0 million** in the fourth year.

(c) FUEL CONSUMPTION:

Fuel consumption is based on the current trend of price fluctuations in the world market. Considering this factor in mind it has been projected at T.shs. 45.0 million to start with in the first year and increase up to T.shs. 120.0 million towards the end of the projected period.

(d) TELEPHONES AND FAXES:

These are an important link in any business which depends on frequent usage and type of business. For the type of this business it has been projected at T.shs. 3.6 million in the first year ending up with T.shs. 2.5 million towards the end of the projected period.

(e) MACHINERY MAINTENANCE:

In the course of performing these activities there will be a number of machinery to be deployed which will need servicing. Based on a number of practical experience these have been projected at T.shs. 30.0 million to start with in the third year and end up with T.shs. 20.0 million towards the end of the projected period.

(f) **DIRECTORS' EMOLUMENTS:**

Currently there are two (2) Directors drawing a monthly allowance of T.shs. 500,000= each per month. Therefore the total monthly amount is T.shs. 1.0 million. As the size of operations is anticipated to increase, by January, 2012 those emoluments are anticipated to increase up to T.shs. 1.5 million per month until the end of the planned period of operations.

8.0 REVENUE ESTIMATES:

Revenue for this project has been projected based on the production capacity of the plant. In this regard revenue is anticipated to fluctuate as follows:-

A. 1st Year:

1 tone will produce 45 pipes ($\frac{3}{4}$ plastic pipe) per day.

24 hours = 2.5 tons x 45 pipes=113 pipes a day.

113 x 312 days =35,256 pipes a year

35,000 x selling price of T.shs. 55.000 per pipe=

T.shs. 1,925,000 i.e T.shs. 1.9 billion a year.

B. 2nd Year:

During the second year revenue is anticipated to increase up to T.shs. 2,213,750 as a result of an increase in the production capacity.

C. 3rd Year:

T.shs. 2,656,500 i.e. **T.shs. 2.6 billion.**

D. From 4th year onwards revenue is projected to increase by 25% over the previous year's income thus bringing the figure up to T.shs. 3,320,625 which will be **T.sh. 3.3 billion.**

9.0 FINANCIAL ANALYSIS:

9.1 PROJECTED PROFIT AND LOSS STATEMENT:

This statement in (*Annex 1*) shows that the project will make a net profit after tax of T.shs. 899.8 million commencing the first year and thereafter increasing up to T.shs. 1.4 billion in the fifth year. Revenue reserve would have accumulated up to T.shs. 8.6 billion towards the end of the seventh year. The company should be able to declare dividends of T.shs. 894.5 million to the shareholders in the second year. Statutory dividends are calculated at 50% of the revenue reserve.

9.2 PROJECTED CASH FLOW STATEMENT:

The projected Cash flow Statement in (*Annex 2*) indicates that the project will make a net cash flow of T.shs. 947.3 million starting the first year and thereafter increasing up to T.shs. 1.0 billion in the third year. These funds will enable the company sustain its own operations without relying upon bank loans or overdrafts for working capital requirements. The cumulative cash/cash in hand would have accumulated up to T.shs. 6.4 billion towards the end of the sixth year.

9.3 PROJECTED BALANCE SHEET:

The projected Balance Sheet shows favourable net assets condition of the business throughout the operational period. The net worth increases steadily from T.shs.. 899.8 million starting the first year to T.shs. 8.6 billion in the seventh year.

10.0 ECONOMIC BENEFITS AND JUSTIFICATION:

The benefits accruing to the nation as a result of implementing this project are the following:-

- From the socio-economic point of view the project will create job opportunities to some people living in the project's vicinity. About 30 people will be employed ranging from managerial to unskilled staff.
- The Government will earn substantial revenue in the form of corporate taxes. About T.shs. 628.9 million will go to Government coffers annually.
- The establishment of this project is justified by the fact that demand for plastic pipes in the country is in existence. Based on the above factors it is highly recommended that the company be granted with the requested Certificate of Incentives for the implementation of this project at the earliest date possible.

FONDERA ENGINEERING CO. LTD P.O. BOX 90185. DAR ES SALAAM

PROJECTED PROFIT AND LOSS STATEMENT:

Figures in T.shs. (000's)

Item/Year	2012	2013	2014	2015	2016	2017	2018
Sales Revenue	1,925,000	2,213,750	2,656,500	3,320,625	3,320,625	3,320,625	3,320,625
LESS: OPERATING EXPENSES:							
1. Salaries and Wages	107,400	107,400	107,400	107,400	107,400	125,000	125,000
2. Telephones and Faxes	3,600	2,600	3,000	3,800	2,500	2,500	2,500
3. Raw material purchases	380,000	670,000	797,000	950,000	950,000	950,000	950,000
4. Fuel consumption for motor vehicles	45,000	55,000	65,000	75,000	85,000	85,000	120,000
5 Machinery maintenance	-	-	30,000	-	-	40,000	20,000
6. Electricity and Water	10,000	15,000	20,000	25,000	35,000	45,000	50,000
7 Directors' payment	46,000	46,000	30,667	15,334	-	-	-
8. Economic Depreciation	47,500	47,500	47,500	47,500	47,500	47,500	47,500
TOTAL EXPENDITURE	639,500	943,500	1,100,567	1,224,034	1,227,400	1,295,000	1,315,000
PROFIT BEFORE TAX	1,285,500	1,270,250	1,555,933	2,096,591	2,093,225	2,025,625	2,005,625
COMPANY TAX (30%)	385,650	381,075	466,780	628,977	627,968	607,687	601,688
PROFIT AFTER TAX	899,850	889,175	1,080,153	1,467,614	1,465,257	1,417,938	1,403,937
REVENUE RESERVE	899,850	1,789,025	2,878,178	4,345,792	5,811,049	7,228,987	8,632,924

FONDERA ENGINEERING CO. LTD P.O. BOX 90185. DAR ES SALAAM

PROJECTED CASH FLOW STATEMENT:

Figures in T.shs. (000')

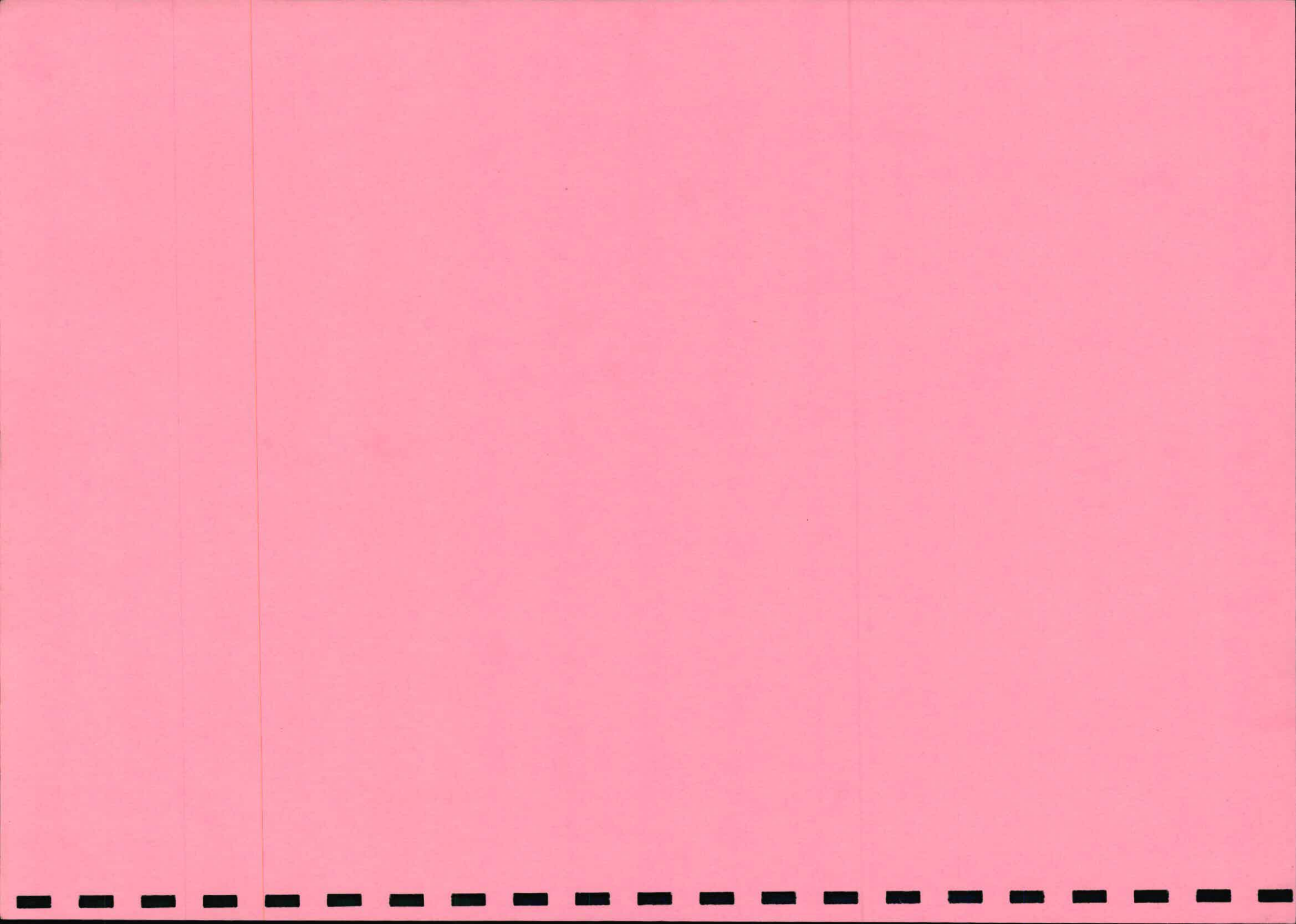
Item/Year	0	2012	2013	2014	2015	2016	2017
A: INFLOWS:							
Equity	250,000	-	-	-	-	-	-
Bank Loan	200,000	-	-	-	-	-	-
Profit after tax	-	899,850	889,175	1,089,153	1,467,614	1,465,257	1,417,937
Economic Depreciation	-	47,500	47,500	47,500	47,500	47,500	47,500
TOTAL INFLOWS	450,000	947,350	936,675	1,136,653	1,515,114	1,512,757	1,465,437
B: OUTFLOWS:							
Investment	450,000	-	-	-	-	850,000	-
Loan Repayment	450,000	-	66,666	66,666	66,668	850,000	-
NET FLOWS	(450,000)	947,350	870,009	1,069,987	1,448,446	662,757	1,465,437
CUMULATIVE CASH- CASH IN HAND	-	947,350	1,817,359	2,887,346	4,335,792	4,998,549	6,463,986

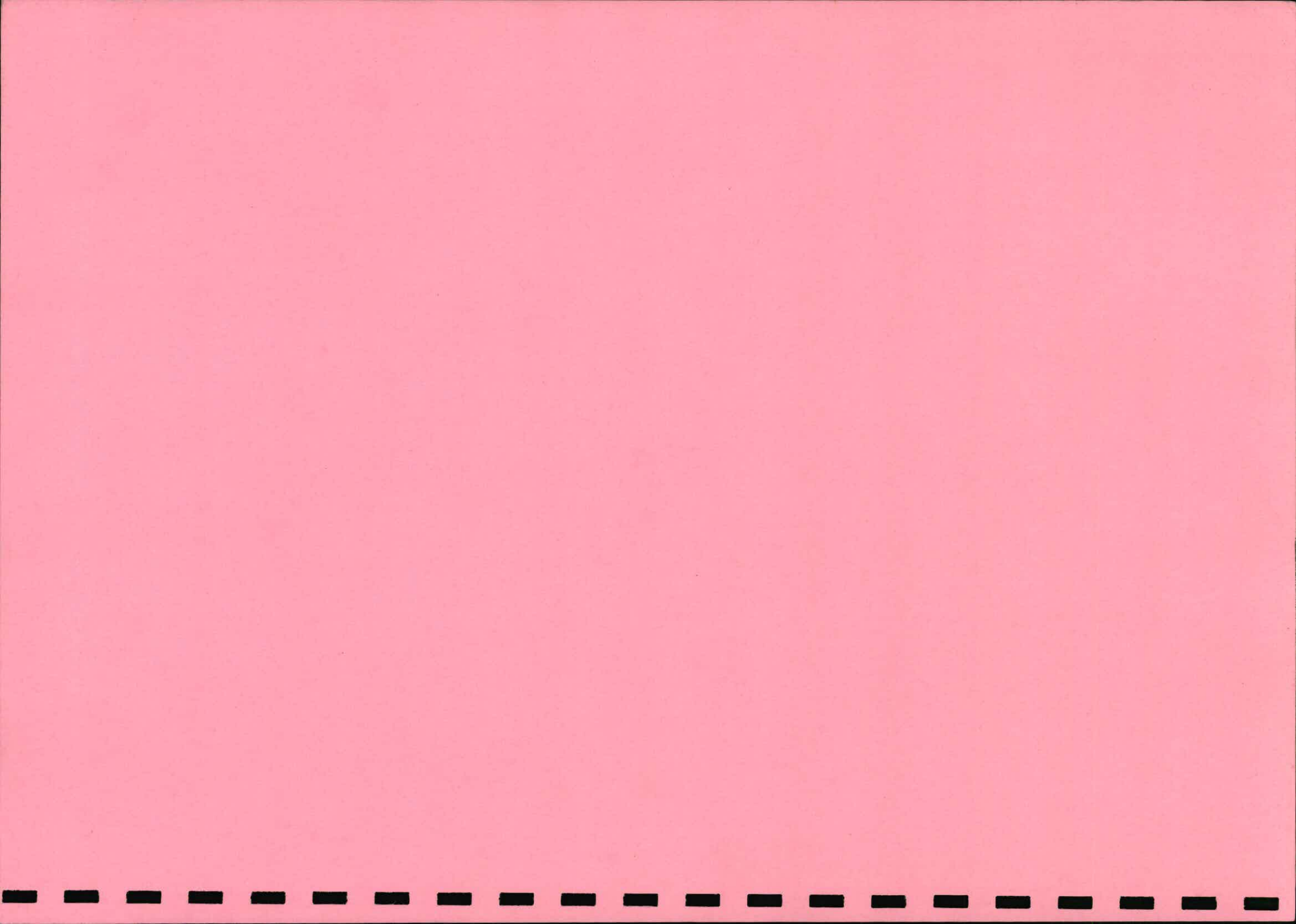
FONDERA ENGINEERING CO. LTD P.O. BOX 90185. DAR ES SALAAM

PROJECTED BALANCE SHEET:

Figures in T.shs. (000')

Item/Year	2012	2013	2014	2015	2016	2017	2018
Fixed Assets at cost	300,000	300,000	300,000	300,000	300,000	300,000	375
Less: Accumulated Depreciation	47,500	95,000	142,500	190,000	237,500	285,000	332,500
NET FIXED ASSETS:	252,500	205,000	157,500	110,000	62,500	15,000	42,500
Add: CURRENT ASSETS:							
Cash in hand/Bank	947,350	1,817,359	2,887,346	4,335,792	4,998,549	6,463,986	7,929,423
Debtors	430,455	463,918	440,068	537,386	1,006,781	994,613	937,614
Stocks	180,195	198,823	293,378	358,257	671,187	663,075	625,075
LESS: CURRENT LIABILITIES:							
CREDITORS	66,000	65,000	50,000	50,000	50,000	50,000	50,000
TAXATION	385,650	381,075	466,780	628,977	627,968	607,687	601,688
TOTAL ASSETS	1,349,850	2,239,025	3,261,512	4,662,458	6,061,049	7,478,987	8,882,924
REPRESENTED BY:							
Equity	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Bank Loan	200,000	200,000	133,334	66,666	-	-	-
Revenue Reserves	899,850	1,789,025	2,878,178	4,345,792	5,811,049	7,228,987	8,632,924
TOTAL CAPITAL	1,349,850	2,239,025	3,261,512	4,662,458	60,610,497	7,478,987	8,882,924





THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

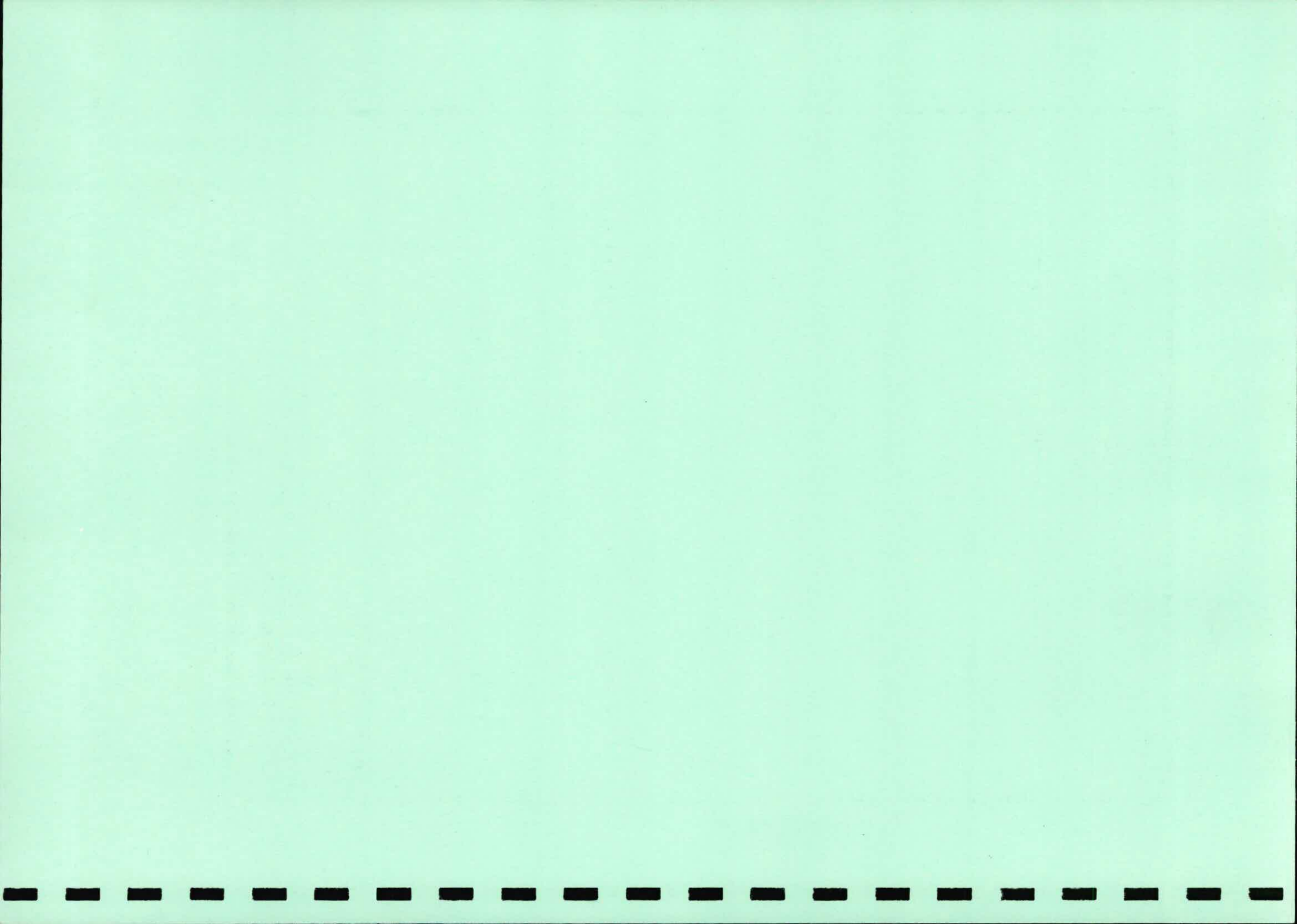
ARTICLES OF ASSOCIATION

OF

FONDERA ENGINEERING LIMITED

Incorporated at thisday of.....2008

**DRAWN BY:
A. A. AWESSO
(SUBSCRIBER)
P.O. BOX 90185
DAR ES SALAAM.**



THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

FONDERA ENGINEERING LIMITED

Incorporated at thisday of.....2008

**DRAWN BY:
A. A. AWESSO
(SUBSCRIBER)
P.O. BOX 90185
DAR ES SALAAM.**

TANZANIA

5000/-

33283780 25-9-2008

shams

Stamp Duty Office

THE COMPANIES ACT, 2002
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
FONDERA ENGINEERING LIMITED

2500/-
33283780

25-9-2008

shams

1. The name of the company "FONDERA ENGINEERING LIMITED"
2. The Registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-
 - (a) To carry on the business of engine rebuilders of automotive and industrial parts, rebuilding work out crankshaft of different types to the size of marine crankshafts, pipes welding, fabrication of air condition, tanks welding, pipes structural steel boilers, cable tray, structural steel fitter, mechanics repairing, maintenance welding inspection, X-ray and general merchants.
 - (b) To carry on the business of garage proprietors and service station for motor vehicles of all kinds, to carry on the safe keeping, cleaning, repairing, refueling, panel beating, spraying and the general care of motor vehicles, aircraft, machinery, equipment and plant whether moved by mechanical power or not, implements, utensils, appliances, apparatus, fuel for internal combustion engines, lubricants, cements, solutions, batteries and accessories and all things capable of being used in connection with the said businesses or in the manufacture or maintenance of such vehicles, machinery, equipment and plant.
 - (c) To carry on the business as principals agents or manufacturers, representatives of importing, exporting, buying, selling, distributing of motor vehicles, cars trucks, lorries or other vehicles, motor vehicles spares and parts of all descriptions, fuel and other oils, petroleum of all kinds, tyres and tubes, batteries, battery solution and other spares, accessories, motor cycles, bicycles, tractors, mining equipments, fishing gears, agricultural and industrial machinery and equipments, new and second hand spare parts and accessories and generally to deal in all types of motor spare parts and industrial and agricultural machinery and parts, electronic goods and accessories thereof.
 - (d) To carry on the business of warehousemen and storers of goods, wares and merchandise of every kind and description and what so ever.
 - (e) To purchase, construct, sell, hire or let all types of vehicles, motor coaches, vehicles, motor coaches, vehicle bodies, engines, machinery and other chattels and things used for any of the above purposes.
 - (f) To own and operate plants and factories for making spare parts including nuts and bolts, rivet screws, nails, roofing nails, radiators, valves, crankshafts, springs, door handles, and locks, bushes, electrical fittings including wires, switches, plugs, sockets, distribution boxes and to carry on all or any of the business of repairman, electrical contractors, including drills, spanners, hydraulic jacks and implied purposes of running garage,

including trucks, lorries, cars, any other power propelled vehicles and machinery, whatsoever.

- (g) To carry on the business of refiners, storers, producers, suppliers and distributors of petroleum and its products and explore for, produce, refine, treat, distil, manufacture, smelt, store, hold, transport, experiment with, market, distribute, exchange, purchase, sell and otherwise dispose of any and all kinds of petroleum products, oil, gas, lubricants and other volatile substances, asphalt, ozokerite, sulphur, clays, bituminous substances, carbon, carbon black, hydrocarbon and mineral substances, phosphates, nitrates, coal, ores, minerals and mineral substances of all grades, kinds, forms, nitrates, coal, ores, descriptions and combination and all chemical substances whether found naturally or manufactured or synthesized from petroleum products or otherwise and in general subsoil products and subsurface deposits of every nature and description and the products or the by-products which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing any of the foregoing with other substances.
- (h) To carry on the business of transportation, cargo and travel agents, commission agents, customs agents, insurance agents, tourist agents, manufacturers representatives, clearing and forwarding agents, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other place or places as may from time to time determined by the company.
- (i) To carry on all or any of the traders and business of Tourism, Hunting, dealers in game and other trades or businesses in connection with wildlife and tourism generally.
- (j) To promote tourism in Tanzania and elsewhere and carry on the business of travel agents, tour operators and promoters, to facilitate travelers and organize hunting trips as professional hunters tented-camps, fishing and diving expeditions, safari promoters and undertakers, generally to arrange and manage hunting safaris photo safaris, adventure tours, fishing trips, mountain climbing and handling of game trophies and animal skins, catching, harboring, transporting wildlife and marine products of all kind.
- (k) To carry on the business as traders, suppliers, general merchants, importers, exporters, stockists, wholesalers, retailers and dealers in all types of electrical goods, hardware, building materials, spare parts and maintenance, tyres, tubes, tools and accessories for all types of automotive, motor vehicles, agricultural machinery, implements, equipment, all kinds of industrial projects machinery and equipment, timber, fishing gears, groceries, computers, office equipments, cooking oils, salts, foodstuffs, cosmetics, oils, paints, spirits sheets, hinges, screws, iron mongery, textiles piece goods, all types of leather goods, shoes, bags and other similar goods.
- (l) To carry on the business as Tour Company offering road safaris in the park, camping sites, lodges and tented camp business, airline ticketing local/international and hunting operate as tour operators, camping sites, tour guides.
- (m) To promote, establish, take over, acquire, engage in and carry on the business or profession of travel agents, hunters safaris and tour operators, safari outfitters, game safaris, hunters and dealers in every kind of game, animal and material derived.

- (n) To carry on the trade and business of engineers founders smiths metal workers makers, manufacturers and patentees of aircrafts of all kinds and descriptions.
- (o) To enter into agreements with overseas tourist corporations for the purpose of advertisements on the tourist attractions in Tanzania as a whole.
- (p) To provide either on lease, hire, charter or otherwise any motor vehicle, aircraft, boats, balloons or any other transport facilities to hunters, tourists or other travelers and to make available to them through the said means hunting equipment, gear or apparatus which may be required by the Company's clients.
- (q) To carry on the business as trophy and curio dealers, importers and exporters and to act as licensed dealers in all types of animal and game skin, leather goods, bird feathers and to prepare, blend or render marketable any such goods.
- (r) To carry on the business of big game hunter, trapping and collection of Wild and live birds for sale and export within outside Tanzania, to sell, improved export, and imports, prepare, deal and trade in carvings, painting, curios, export, and provide game sanctuary facilities and to organize of safaris and expeditions.
- (s) To search for, export, crush, win, get, quarry, smelt, calcite, refine, mine dress, reduce, amalgamate, manipulate and prepare for market, are metal and mineral substances of all kinds whether by open or underground working and gold, silver tin, diamond, mica, rubies, graphite, tanzanite's including oil.
- (t) To carry on the business of miners and mining in all their branches and for the said purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes and effects supposed to contain minerals, diamonds, or other precious stones, and any interest therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- (u) To carry on the business of importers, exporters, general merchants, general store-keepers, universal providers, wholesale and/or retail traders, dealers of piecewood, paints, hardware, glassware, crockery, cutlery, ironmongery, turners and other household fittings and requirements, other articles and commodities of personal, household use and consumption provisions, textiles, groceries, medicines, drugs, wines, spirits, liquors, chemical, surgical, option, photographic and other instruments, apparatus and materials, motor vehicles, automobiles and generally in all manufactured goods of all types and merchandise of all kinds.
- (v) To carry on the business as general food proces.ors packers and suppliers, to be general suppliers of hard foods stuffs and agricultural crops, to be grain millers and food mixers to be general exporters of fresh fruits vegetables and flowers, to act as agents of buying and selling all kinds of motor vehicles, General supplies, buying and selling building hardware of every description, electrical appliances, lease.
- (w) To engage in and carry out the business of proprietors and managers of hotels, restaurants, cafes, road houses, motels, safari and holiday camps, caravan sites, guest houses, apartment housekeepers, refreshment and tea rooms, milk and snacks bars, tavern, beer house and lodging housekeepers and to provide food and catering services to individuals, private and public institutions and to industrial and business concerns.

- (x) To carry on all any of the wholesale and/or retail as gemstones merchants, jewellers and/or dealers in and/or buy, sell market import export and/or general deal in all or any kinds of gemstones precious and semi-precious stones, gold silver and precious metals of whatsoever kind or description.
- (y) To purchase, take on lease and otherwise acquire for investment or resale any estate, land, buildings, easements and other rights and interests in immovable property or any tenure in Tanzania and elsewhere and to sell let or lease exchange or otherwise dispose of or grant rights over any immovable property, belong to the company.
- (z) To purchase, take or lease or in exchange, hire or otherwise acquire and hold any state or interest in any lands buildings, casements, rights, licenses secret processes, machinery, plants, stock, in trade and real or personal property of any kind.
- (aa) To accept payment for any property or rights sold or otherwise disposed or dealt with by the company either in cash, by installment or otherwise or in fully or partly paid up shares of the company or corporation, with or without deferred or preferred or guaranteed rights.
- (bb) To carry any other trade or business whatever that can in the opinion of the Board of Directors be advantageously carried on by the Company in connection with the above business or the general business of the company.
- (cc) To act as agents for the sale and purchase of any stocks shares or securities or for any other monetary or mercantile transactions.
- (dd) To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.
- (ee) To do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and either or though agents, sub-contractors, trustees and otherwise.
- (ff) To remunerate any person, firm or company rendering services to this company, whether by cash payments or by allotment to him or them of shares or securities of the Company credited and paid in full or in part, otherwise.
- (gg) To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.
- (hh) To lend money on any terms that may thought fit, and particularly to customers or other person or corporations having dealing with societies and to give any guarantees that may be expedient.
- (ii) To advance money to shareholders in the company, and other to the purpose of enabling the person borrowing the same erect or purchase, or enlarge or repair any house or building or to purchase the fee simple or any less estate or interest in, or to take a demise for any term or terms of years of any freehold or leasehold property upon such terms and conditions as the company may think fit.
- (jj) To invest and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined.

- (kk) To distribute among the members in pieces any property of the company, or any proceeds of sale or disposal of any property of the company.
- (ll) To draw, make, accept, endorse, discount execute and issue promissory notes, bills of lading, warrants, debentures and negotiable or transferable instruments.
- (mm) To act as agents or brokers, and as trustees for any person firm or company, and to undertake and perform sub-contracts and also to act in any other business of the company through or by means of agents, brokers, sub-contractors or others.
- (nn) To obtain any provisional order, ordinance or act of Parliament for enabling the Company to carry any of its objects into effect, or for affecting any modification of the Company's constitution, or any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the company's interest.
- (oo) To take or otherwise and hold shares in any other company having objects altogether or in part similar to this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit the company.
- (pp) To transact or carry on all kinds of Agency business and in particular in relation to the investment of money, the sale of property, and the collection and receipt of money.
- (qq) To do all other things as may be deemed incidental or conducive to the entertainment of the objects or any of them.

And it is hereby declared that:-

The word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether corporate or incorporate, and whether domiciled in the United Republic of Tanzania or elsewhere.

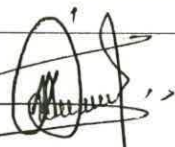

The object specified in each of the paragraphs of the paragraph of this clause shall be regarded as independent objects, and accordingly shall in no way be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph of the name of the Company but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraph define the objects of the separate and distinct compound.

That the meaning of any general word or words in any paragraph of this clause shall not be restricted by being construed ejusdem generis with any particular word or words in the same paragraph.

4. The Liability of the Members is Limited.
5. The Authorized Share Capital of the Company is TShs.20,000,000/= divided into 1,000 shares of TShs.20,000/= each.

The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company.


We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE
ASADIN ABUBAKAR AWESSO P.O. BOX 90185 DAR ES SALAAM	500	
SAID OMAR SAID P.O. BOX 90185 DAR ES SALAAM	500	

Dated at DSM this 24th day of SEPTEMBER 2008

Witness to the above signatures:

Name : _____

Signature : 

Postal Address : _____

Qualification : _____



THE COMPANIES ACT, 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
FONDERA ENGINEERING LIMITED

INTERPRETATION

1. In these articles:-

"the Act" means the Companies Act;

"the articles" means the articles of the company;

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"the seal" means the common seal of the company;

"Secretary" shall mean any person appointed to perform the duties of Secretary of the Company;

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photograph, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these articles become binding on the company.

PRIVATE COMPANY

2. The Company is a Private Company and accordingly:-

- (a) The right to transfer shares is restricted in manner hereinafter prescribed.
- (b) The number of members of the company (exclusive of persons who are in the employment of the Company and of persons who have been formerly in the employment of the company were while in such employment to be the member of the company) is limited fifty, provided that where two or more persons hold one or more shares in the company jointly they shall for the purpose of this regulation be tested as a single member.
- (c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

The Company shall not have power to issue share warrants to bearer

MEMBERS

3. The number of members with which the company proposes to be registered is but the directors may from time to time register an increase of members.
4. The subscribers to the memorandum of association and such other persons as the directors shall admit to membership shall be members of the company.

GENERAL MEETINGS

5. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next.

Provided that so long as the company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place, as the directors shall appoint.

6. All general meetings other than annual general meetings shall be called extraordinary general meetings.
7. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by section 133 of the Act. If at any time there are not within the Tanzania sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be convened by the directors.

NOTICE OF GENERAL MEETINGS

8. Every general meeting shall be called by twenty-one clear days' notice in writing at the least. The notice shall specify the place, the day and hour of meeting and, in case of special business, the general nature of that business:

Provided that a meeting of the company shall, notwithstanding that it is called by shorter notice than that specified in this article be deemed to have been duly called if it so agreed:-

- a. in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
 - b. in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representation not less than ninety – five percent of the total voting rights at that meeting of all the members.
9. Subject to the provisions of the articles, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors. The accidental omission to give notice of a meeting to, or the non receipt to notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDING AT GENERAL MEETINGS

10. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.

11. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two persons, entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation, shall be a quorum.
12. If within half an hour from the time appointed for the meeting quorum is not present, or if during the course of a meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the directors may determine.
13. The Chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the general meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the directors present shall elect one of their member to be chairman of the meeting and, if there is only one director and willing to act, he shall be chairman.
14. If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be a chairman of the meeting.
15. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days notice of the adjourned meeting shall be given specifying the time and place of the meeting and the general nature of the business to be transacted. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
16. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands demand:-
 - a. by the chairman; or
 - b. by at least (three) members present in person or by proxy; or
 - c. by any member or members present in person or by proxy and representing not less than one – tenth of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to the effect in the book containing the minutes of proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may, before the poll is taken, be withdrawn.

17. Except as provided in article 18, if a poll is duly demand it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demand.
18. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.

- 19. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time as the chairman of the meeting directs, and any business other than upon which a poll has been demanded may be proceeded with pending the taking of the poll.
- 20. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall have effect as if it had been passed at a general meeting duly convened and held, and consist of several instruments in the like form each executed by or on behalf of one or more member.

VOTE OF MEMBERS

- 21. Each share shall constitute one vote.
- 22. A member in respect of whose estate a manager has been appointed under section 26 of the Mental Diseases Ordinance, may vote, whether on a show of hands or on a poll, by his said manager, and any such manager may, on a poll, vote by proxy.
- 23. No member shall be entitled to vote at any general meeting unless all moneys presently payable by him to the company have been paid.
- 24. On a poll votes may be given either personally or by proxy.
- 25. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, or, if the appointer is a corporation, either under sea) or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the company.
- 26. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company or at such other place within the Territory as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting of adjourned meeting at which the per son named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 27. An instrument appointing a proxy shall be in the following form or a form as near hereto as circumstances admit:-
 ".....Limited
 I/We of, being a member/ members of the above
 - named company, hereby appoint, of or failing him
 of, as my/our proxy to vote for me/us on my/or
 behalf at the {annual or extraordinary, as the case maybe} general meeting of the company to be held on the day of200....., and at any adjournment thereof.

 Signed this day of,200"

28. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-
- "..... Limited
- I/We of, being a member/members of the above named company, hereby appoint of, of or failing him of, as my/our proxy to vote for me/us on my/our behalf at the {annual or extraordinary, as the case may be} general meeting of the company to be held on the day of 200....., and at any adjournment thereof.
- Signed this day of, 200"

This form is to be used* in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.

*Strike out which ever is not desire"

29. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
30. A vote given in accordance with the terms of an instrument of proxy, or poll demanded by proxy, or by the duly authorized representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at its registered office (or at such other place at which the instrument of proxy was duly deposited) before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATION AT MEETINGS

31. Any corporation which is a member of the company may by resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the company, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the company.

DIRECTORS

32. The Number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum of association or a majority of them and until such determination the signatories to the Memorandum of Association shall be the first directors. Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two.
33. The following persons shall be first Directors to the Company:
1. **ASADIN ABUBAKAR AWESSO**
 2. **SAID OMAR SAID**
34. The remuneration of the directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The directors shall also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning

from meetings of the directors or any committee of the directors or general meetings of the company or in connection with the business of the company.

BORROWING POWERS

35. The director may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the company or any third party.

POWERS AND DUTIES OF DIRECTORS

36. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the directors, who may exercise all the powers of the company, shall manage the business of the company. No alteration of the memorandum or articles and no such directions shall invalidate any prior act of the directors, which would otherwise have been valid. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
37. The directors may by power of attorney appoint any person to be the attorney or agent of the company for such purposes and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.
38. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as they case may be, in such manner as the directors shall from time to time by resolution determine.
39. The directors shall cause minutes to be made in books provided for the purpose:-
- a. of all appointments of officers made by the directors;
 - b. of the names of the directors present at each meeting of the directors and of any committees of the directors;
 - c. of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors.

DISQUALIFICATION OF DIRECTORS

40. The office of director shall be vacated if the directors:-
- a. Without the consent of the company in general meeting holds any other office of profit under the company; or
 - b. Becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - c. Ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director; or
 - d. Becomes of unsound mind; or
 - e. Resigns his office by notice in writing to the company; or
 - f. Is directly or indirectly interested in any contract with the company and fails to declare the nature of his interest in manner required by the Act.

A director shall not vote in respect of any contract in which he is interested or any matter arising thereat, and if he does so vote shall not be counted.

41. The company may by ordinary resolution appoint a person who is willing to act as director to fill a vacancy or be an additional director.
42. The directors may appoint a person who is to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not at anytime exceed the number fixed by or in accordance with these articles. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.
43. The company may by ordinary resolution, of which special notice had been given in accordance with section 144 of the Act, remove any director before the expiration of his period of office notwithstanding anything in the article or any agreement between the company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the company.
44. The company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding article. Without prejudice to the powers of the directors under article 40 the company in general meeting may appoint any person to be a director either to fill a vacancy or as an additional director.
45. Subject to the provisions of the articles, the directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any directors who are absent from Tanzania.
46. The quorum necessary for the transaction of the business of the directions may be fixed by the directors, and unless so fixed shall be two.
47. The continuing directors may act notwithstanding any vacancy but, if and so long as their number is reduced below the number fixed by or pursuant to the articles of the act for the purpose of increasing the number of directors to that number, or summoning a general meeting of the company, but for no other purpose.
48. The directors may appoint one of their numbers to be the chairman of the board of directors and determine the period of which he is to hold office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if no such chairman is appointed, or if he is unwilling to preside, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.
49. The directors may delegate any of their powers to any committee consisting of one or more directors; any committees so formed shall in the exercise of the powers so to any such regulations, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.
50. All act done by a meeting of the directors or of a committee of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and was entitled to vote.

51. A resolution in writing signed by all the directors entitled to receive notice of a meeting of the directors, or of a committee of directors, shall be as valid and effectual as if it had been passed at a meeting of the directors or {as the case may be} a committee of directors duly convened and held, and may consist of several documents in the like form each signed by one or more directors.

SECRETARY

52. The Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.
53. A provisions of the Act or these articles requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

THE SEAL



54. The seal shall only be used by the authority of the directors or of a committee of the directors authorized by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.
55. The directors shall cause proper books of account to be kept with respect to:-
- a. all sums of money received and expended by the company and the matters in respect to which the receipt and expenditure takes place;
 - b. all sales and purchase of goods by the company; and
 - c. the assets and liabilities of the company.

Property books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and air view of the state of the company's affairs and to explain its transactions.

56. The books of account shall be kept at the registered officer of the company, or subject to section 151 (4) of the Act, at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
57. No member shall (as such) have right of inspecting any accounting records or other book or document of the company except as conferred by statue or authorized by the directories or by ordinary resolution of the company.
58. The directors shall from time to time in accordance with sections 153,155 and 150 of the Act, cause to be prepared and to be laid before the company in general meeting, such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
59. In accordance with section 164 of the Act, the copy of the company's annual accounts to be laid before the company in general meeting together with a copy of the directors' report and the auditors shall not less than twenty – one days before the date of the meeting be sent to every member of, and every holder of debentures of, the company. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any debentures.

AUDIT


60. Auditors shall be appointed and their duties regulated in accordance with sections 170 to 179 of the Act.
61. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing. The company may give any notice to a member either personally or by sending it by post in a prepared envelope addressed to the member at his registered address, or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected at the expiration of seventy – two hours after the letter containing the same was posted. A member whose registered address is not within the Tanzania and who gives to the company an address within the Tanzania at which notices may be given him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE
ASADIN ABUBAKAR AWESSO P.O. BOX 90185 DAR ES SALAAM	500	
SAID OMAR SAID P.O. BOX 90185 DAR ES SALAAM	500	

Dated at DSM this 24TH day of SEPTEMBER 2008

Witness to the above signatures:

Name : _____

Signature : _____ 

Postal Address : _____

Qualification : _____



