



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

FILE BEGINS	ENDS	PART
FILE TITLE		FILE NUMBER TICC
<b>CONFIDENTIAL</b>		pp. 10  042412
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
DIP	F-1	DR	19/3/13											
Kubwa	f1	Ryano	20/3/13											
DAF	m		2/4/13											
DAF	f-1	DR	9/4/13											
news	f1		5/4/13											
g Exo	m		17/4/13											
DAF	F-10		2/10/13											
DAF	F-10		2/10/13											

FILE NUMBER  
 TICC  
 pp. 10 / 042412  
 PART 2

DONG CHEN INVESTMENT

LTD

# MINUTE SHEET

Dokezo  
No.

1.0

**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 US\$ 2.704M

(b) Legal entity has been incorporated under certificate

No. 97176 of 14/02/2013

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.

  
N. Senzia

**DIF**

2<sup>nd</sup> April, 2013

2.0

**Ag. EXD** *done*

In response to the TIC letter of registration dated 2<sup>nd</sup> April 2013

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from First National Bank LTD

(c) Loan Agreement as Evidence of bank

With the above submission EXD is requested to sign Certificate of Incentives No. 042412 herein attached.

13/04/2013

  
DIF

**MINUTE SHEET**



Dokezo  
No.

**TICC/PP.10/042412/15**

**03/01/2015**

The Managing Director,  
M/S Dongchen Investments Limited,  
P.O. Box 21301,  
**DAR ES SALAAM**

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED  
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.  
042412**

We are writing in response to your letter vide Ref: DIL/TIC/02/2015 of 02<sup>th</sup> February, 2015 regarding above captioned subject.

Please be informed that in order to process your tax exemption request you are kindly required to submit detailed progress report and photos showing the project status and a list of items so far exempted for our information and review before further processing your request.

Please be guided accordingly

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



N.A. Senzia

**FOR: EXECUTIVE DIRECTOR**

Unclaimed refund beyond three years will be forfeited



4

# TANZANIA INVESTMENT CENTRE

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

RECEIPT REC010905

No. 005179

Received from : DONGCHEN INVESTMENTS LTD

Address P.O. Box 31301 DSM

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



For Executive Director  
Tanzania Investment Centre

Being payment in respect of CERTIFICATE OF INCENTIVES FEE

Amount : USD 750.00

Cash / Cheque No. D/deposit 8/4

Date : 08-Apr-2013

Buisso  
Receiving Officer

# Dongchen Investments Limited

P.O. Box 31301 Tel: 0769 029999 Dar es Salaam, Tanzania

Ref. No. DIL/TIC/02/2013

Date: 8<sup>th</sup> April, 2013

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

## RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF PROJECT FOR PLASTIC RECYCLING

We humbly thank you for your approval letter for our Plastic Recycling Project Reference. Number TICC/PP.10/042412/3 of 2<sup>nd</sup> April, 2013.

We submit with this letter the following documents for your necessary action:

- (a) Company Board Resolution for Registering of the Project with TIC.
- (b) Copy of the Lease Agreement.
- (c) Paying Slip for USD 750 made at the Standard Chartered Bank for Certificate of Incentive

Yours Sincerely,

  
NING XUEYI  
MANAGING DIRECTOR



**EXTRACT FROM THE MINUTES OF THE EXTRAORDINARY  
BOARD MEETING FOR DIRECTORS OF DONGCHEN  
INVESTMENTS LIMITED HELD AT ITS HEAD OFFICE IN DAR ES  
SALAAM ON SATURDAY 6<sup>TH</sup> APRIL, 2013**

**BOARD RESOLUTION APPROVING REGISTRATION OF THE COMPANY'S  
RECYCLING PROJECT WITH THE TANZANIA INVESTMENT CENTRE**

RESOLVED:

THAT the Company *Dongchen Investments Limited* shall register its Plastic Recycling Project worth USD 2,702,186 with the *Tanzania Investments Centre* for *Certificate of Incentives* to facilitate smooth operations of the business.


THAT *Dongchen Investments Limited* shall initially enter into leasing agreement with Mr. Ahmed Nazir Hussein of P.O. Box 21653 Dar es Salaam for a three-year leasing contract for Plot No. 41/1 Ilala Makaburini, Dar es Salaam. The Contract is worth USD 90,000 or USD 30,000 per year.

THAT *Dongchen Investments Limited* shall forthwith expand its operations by acquiring a 4-acres plot at Vikindu/Kisemvule in Mkuranga District, Coast Region.

It is hereby certified by the undersigned that the foregoing resolution was duly passed by the Board of Directors of the above-named Company *Dongchen Investments Limited* on the 6<sup>th</sup> day of April, 2013, in accordance with the Memorandum and Articles of Incorporation of the Company and the laws and by-laws governing the Company and that the said resolution has been duly recorded in the Minute Book and is in full force and effect.

  
**NING XUE YI**  
**DIRECTOR**



  
**ZHANG SHENG LI**  
**DIRECTOR**

**TICC/PP.10/042412/16**

**03/02/2015**

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED  
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.  
042412**

**M/S Dongchen Investments Limited** is a TIC registered company with Certificate of incentives **No. 042412** which is valid up to **March 2016**

The company has been registered with objectives of establishing a project for plastic recycling.

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

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



N.A. Senzia

**FOR: EXECUTIVE DIRECTOR**

# DONGCHEN INVESTMENT LIMITED

## PROJECT DEVELOPMENT UP TO JAN 2015

### 1. Planned Activities

- Setting facilities / Machinery for plastic recycling

### 2. Achievement

- We are in operations we are now recycling the plastic
- We got Duty/Vat exemption on capital / deemed capital Goods

### 3. Capital Investment Cost

- Land/building \$
- Plant / Machinery \$
- Vehicles
- Furniture and fitting
- Pre expenses
- Working capital

### 4. Project financing

The project is financed by foreign equity (own equity)

### 5. Problem & solution

- So far we are running the project smoothly we have no problem

### 6. Prospects /future plan

- To expand more machinery and have big production capacity.

### 7. Recommendation / conclusion

- We recommend to the Government for better investment policies and more incentives.

**TICC/PP.10/042412/15**

**03/01/2015**

The Managing Director,  
M/S Dongchen Investments Limited,  
P.O. Box 21301,  
**DAR ES SALAAM**

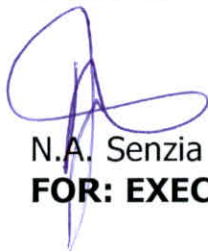
**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED  
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.  
042412**

We are writing in response to your letter vide Ref: DIL/TIC/02/2015 of 02<sup>th</sup> February, 2015 regarding above captioned subject.

Please be informed that in order to process your tax exemption request you are kindly required to submit detailed progress report and photos showing the project status and a list of items so far exempted for our information and review before further processing your request.

Please be guided accordingly

Yours sincerely  
**TANZANIA INVESTMENT CENTRE**



N.A. Senzia  
**FOR: EXECUTIVE DIRECTOR**

TIC

14

# Dongchen Investments Limited

P.O.Box 31301 Tel: 07679 029999 Dar es Salaam, Tanzania

Ref. No. DIL/TIC/02/2015

Date: 02<sup>nd</sup> February, 2015

COMMISSIONER OF CUSTOMS & EXCISE  
TANZANIA REVUNUE AUTHORITY,  
P.O. BOX 9053,  
DAR ES SALAAM.

UFS.  
EXECUTIVE DIRECTOR,  
TANZANIA INVESTMENT CENTRE,  
P.O.BOX 938,  
DAR ES SALAAM



Received on  
02/02/2015

M  
TIC

BDAR Project Rep  
PLSC  
DIF  
02/02/15

Dear Sir,

**RE: DUTY & VAT EXEMPTION ON CAPITAL / DEEMED  
CAPITAL GOODS FOR CERTIFICATE OF  
INCENTIVES NO: 00219796**

We are Tic approved project with certificate of incentives No; 00219796 which is valid up to April 2016

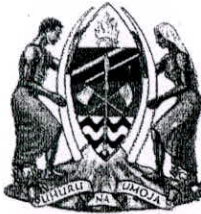
The Company has been registered with objectives of Plastic Recycling

Attached herewith please find a list of Capital/ Deemed Capital Goods for Duty/ VAT Exemption approved.

Yours sincerely

.....  
NING XUE YI  
MANAGING DIRECTOR

with the Original  
Signature  
Date 19/4/2013  
For: Executive Director  
Tanzania Investment Centre



No 00219796

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042412

This is to certify that

DONGCHEN INVESTMENTS LIMITED

of address P.O. BOX 21301

DAR ES SALAAM

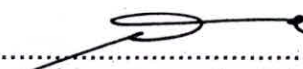
has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/extension~~  
~~XXXXXX~~ enterprise known as

DONGCHEN INVESTMENTS LIMITED

Which is located at PLOT NO. 41/1 NYERERE ROAD

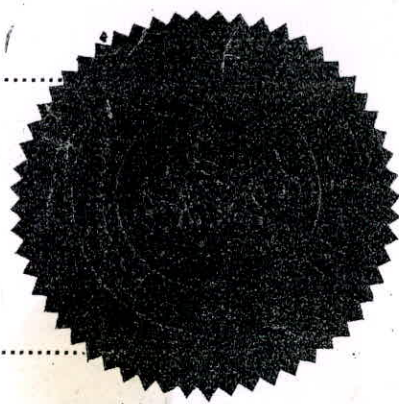
ILALA - DAR ES SALAAM

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

  
Ag. Executive Director

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

Dated 16TH APRIL 2013



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 (%)
	Zhang Sheng Li	Chinese	33.3
	Wang Hui	Chinese	33.3
	Ning Xue Yi	Chinese	33.4

2. Proposed Activities: **To establish project for plastic recycling**

3. Sector: **Manufacturing** Subsector: **Plastic recycling**

4. Investment cost: Foreign **USD 2.704m.** Local **-** Total **USD 2.704m.**

5. Project Financing: Equity **USD 1.63m.** Loans **USD 1.074m.** Total **USD 2.704m.**

6. Source, terms and conditions of loan

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	<b>USD 2.704m.</b>	<b>-</b>	<b>USD 2.704m</b>

8. Technology Agreement: **None**

9. Date of TIC Registration: **2nd April 2013**

10. Implementation period: **April 2013 - March 2016.**

11. Operative date: **April 2016**


12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**

- (i) Applicable Import Duty **As per Income Tax Act, 2004 (as amended)**
- (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 **Finished goods are not allowed under this Certificate**

Signed   
Ag. Executive Director

CTIN.:1989451

ISO 9001 : 2008 Certified



# 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**

**DONGCHEN INVESTMENTS LIMITED**

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

120-041-886

11/03/2013

with effect from .....

**P. N. Kassera**

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF



13

**TICC/PP.10/042412/13**

**03/06/2014**

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: 042412**

**M/S Dongshen Investments Limited** is a TIC registered company with certificate of incentives **No. 042412** which is valid up to **March 2016**

The company has been registered with objectives of establishing and operating a project for plastic recycling.

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**

17

TIC

# DONG CHEN INVESTMENT LIMITED

P.O. BOX 21301 DAR ES SALAAM - TANZANIA

Mobile No: +255 713 235520

Our Ref: CCE/DONG/05/14

30 May, 2014

Commissioner for Customs and Exercise  
BOX 9053  
DAR ES SALAAM

Received on  
30/5/2014

M  
TIC

Ufs:  
Executive Director - TIC  
BOX 938  
DAR ES SALAAM



**RE: EXEMPTIONAL ADDITIONAL LIST**

The refer to the heading above concern.

We request your good office to add the below mention items in our exemption list.

1. Material Granulator
2. Dicing Machine
3. Mill
4. Cleaning Machine
5. Motor
6. Bearing
7. Air switch

Thank you in advance

Yours faithfully

**NING XUE YI**  
Managing Director

Original  
Signature  
Date 19/4/2013



No 00219796

For: Executive Director  
Tanzania Investment Centre  
THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042412

## This is to certify that

DONGCHEN INVESTMENTS LIMITED

of address P.O. BOX 21301

DAR ES SALAAM

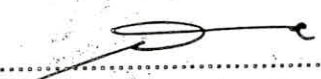
has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/extension~~  
~~XXXXXX~~ enterprise known as

DONGCHEN INVESTMENTS LIMITED

Which is located at PLOT NO. 41/1 NYERERE ROAD

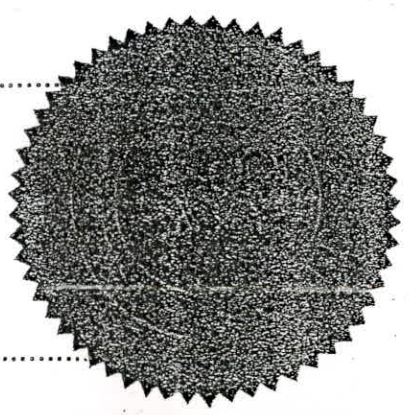
ILALA - DAR ES SALAAM

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

  
Ag. Executive Director

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

Dated 16TH APRIL 2013





CTIN.:1989451

ISO 9001 : 2008 Certified



# 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**

**DONGCHEN INVESTMENTS LIMITED**

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

120-041-886

11/03/2013

with effect from .....

  
P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF

No	Item Name	Unit	Qty
1	MATERIAL GRANULATOR	1 SET	1
2	DICING MACHINE	2 SET	68
3	MILL	1 SET	56
4	CLEANING MACHINE	27SET	52
5	MOTOR	18 SET	18
6	AIRSWICHT	266 SET	266
7	BEARING	86 SET	86

11

**TICC/PP.10/042412/11**

**04/10/2013**

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED  
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.  
042412**


**M/S Dongchen Investments Limited** is a TIC registered company with  
Certificate of incentives **No. 042412** which is valid up to **March 2016**

The company has been registered with objectives of establishing a project  
for plastic recycling.

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

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



N.A. Senzia

**FOR: EXECUTIVE DIRECTOR**

16

**DONGCHEN INVESTMENT LIMITED**  
**P.O BOX 21301- DAR ES SALAAM**

---

1<sup>st</sup> October, 2013

THE EXECUTIVE DIRECTOR,  
TANZANIA INVESTMENT CENTRE,  
P.O BOX 938,  
DAR E SALAAM.

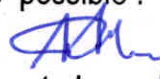
COMMISSIONER FOR CUSTOMS & EXCISE,  
P.O BOX 9053,  
DAR ES SALAAM.



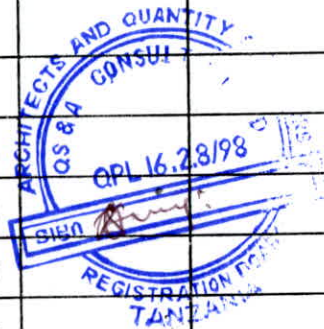
**RE: LIST OF CAPITAL ITEM FOR ESTABLISH PROJECT FOR PLASTIC RECYCLING**

We are forwarding to you a list of capital goods for duty and Vat exemptions required for recycling plastic operation project.

Kindly endorse and forward the list of capital item for Tanzania a Revenue Authority for approval it is our hope that TRA will grant approval as early as possible .

  
Your truly,

No.	BULDING MATERIAL				Exemption	Exemption date
1	Cement	Ton	200	120-041-886		
2	Steel Bar	Ton	200	120-041-886		
3	Metal and Wire mesh	Ton	800	120-041-886		
4	Paint and Decoration	hys	1000	120-041-886		
5	Wall and Flour tiles	M2	200	120-041-886		
6	Aluminum frem	Pcs	200	120-041-886		
7	Door and window	Pcs	200	120-041-886		
8	Electric conduct pipe	Pcs	200	120-041-886		
9	Electric Cable	Pcs	200	120-041-886		
10	Double pole swiches	Pcs	100	120-041-886		
11	Single Swiches	Pcs	10	120-041-886		
12	Cooker control swiches	Pcs	200	120-041-886		
13	rights	Pcs	500	120-041-886		
14	Factory Electriciti Fittings	Pcs	70	120-041-886		
15	Office table and Chairs	Pcs	70	120-041-886		
16	Office visitors chairs	Pcs	70	120-041-886		
17	Office visitors seat	Pcs	40	120-041-886		
18	Weighing seale	Pcs	40	120-041-886		
19	Office Air conditions	Pcs	14	120-041-886		
20	Desk top computer	Pcs	14	120-041-886		
21	Printers	Pcs	5	120-041-886		
22	Treated timber	Bcm	400	120-041-886		
23	Iron sheet	sqm	600	120-041-886		
24	Nails	kg	15	120-041-886		
25	Recycling machine crusher	set	2	120-041-886		
26	Fuso truck	Pcs	5	120-041-886		
27	Crusher	Pcs	5	120-041-886		





No 00219796

19/4/2013  
19/4/2013

Executive Director THE UNITED REPUBLIC OF TANZANIA  
Tanzania Investment Centre

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042412

## This is to certify that

DONGCHEN INVESTMENTS LIMITED

of address P.O. BOX 21301

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/expansion~~  
~~XXXXXX~~ enterprise known as

DONGCHEN INVESTMENTS LIMITED

Which is located at PLOT NO. 41/1 NYERERE ROAD

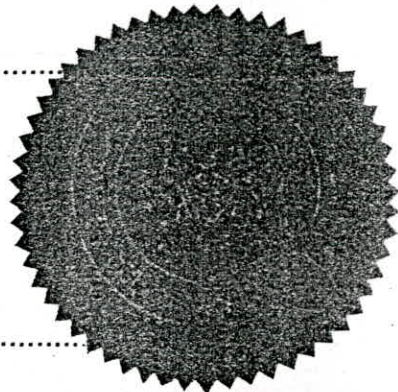
ILALA - DAR ES SALAAM

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

Ag. Executive Director

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

Dated 16TH APRIL 2013



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 (%) |
|----------------|-------------|------------------|
| Zhang Sheng Li | Chinese     | 33.3             |
| Wang Hui       | Chinese     | 33.3             |
| Ning Xue Yi    | Chinese     | 33.4             |
2. Proposed Activities: **To establish project for plastic recycling**
3. Sector: **Manufacturing** Subsector: **Plastic recycling**
4. Investment cost: Foreign **USD 2.704m.** Local **-** Total **USD 2.704m.**
5. Project Financing: Equity **USD 1.63m.** Loans **USD 1.074m.** Total **USD 2.704m.**
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign            | Local    | Total             |
|----------------|--------------------|----------|-------------------|
|                | <b>USD 2.704m.</b> | <b>-</b> | <b>USD 2.704m</b> |
8. Technology Agreement **None**
9. Date of TIC Registration: **2nd April 2013**
10. Implementation period **April 2013 - March 2016**
11. Operative date **April 2016**
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,**  
(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  
**Finished goods are not allowed under this Certificate**

Signed   
Ag. Executive Director



No 00219796

19/4/2013  
HHS

Executive Director THE UNITED REPUBLIC OF TANZANIA  
Tanzania Investment Centre

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042412

This is to certify that

DONGCHEN INVESTMENTS LIMITED

of address P.O. BOX 21301

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/expansion~~  
~~XXXXXX~~ enterprise known as

DONGCHEN INVESTMENTS LIMITED

Which is located at PLOT NO. 41/1 NYERERE ROAD

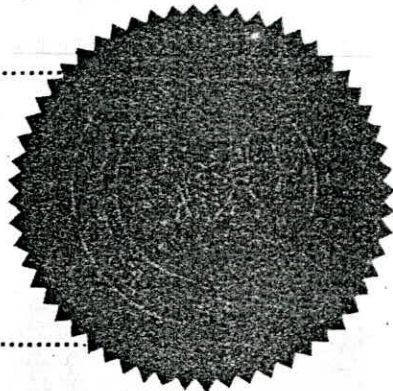
ILALA - DAR ES SALAAM

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

Ag. Executive Director

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

Dated 16TH APRIL 2013



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 (%)
Zhang Sheng Li	Chinese	33.3
Wang Hui	Chinese	33.3
Ning Xue Yi	Chinese	33.4
  
2. Proposed Activities : **To establish project for plastic recycling**
  
3. Sector: **Manufacturing** Subsector **Plastic recycling**
  
4. Investment cost:
 

	Foreign <b>USD 2.704m.</b>	Local <b>-</b>	Total <b>USD 2.704m.</b>
--	----------------------------	----------------	--------------------------
  
5. Project Financing:
 

	Equity <b>USD 1.63m.</b>	Loans <b>USD 1.074m.</b>	Total <b>USD 2.704m.</b>
--	--------------------------	--------------------------	--------------------------
  
6. Source, terms and conditions of loan
  
7. Assets to be invested:
 

	Foreign	Local	Total
Capital items:	<b>USD 2.704m.</b>	<b>-</b>	<b>USD 2.704m</b>
  
8. Technology Agreement **None**
  
9. Date of TIC Registration: **2nd April 2013**
  
10. Implementation period **April 2013 - March 2016**
  
11. Operative date **April 2016**
  
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
 

**Finished goods are not allowed under this Certificate**



No 00219796

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042412

This is to certify that

DONGCHEN INVESTMENTS LIMITED

of address P.O. BOX 21301

DAR ES SALAAM

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

DONGCHEN INVESTMENTS LIMITED

Which is located at PLOT NO. 41/1 NYERERE ROAD

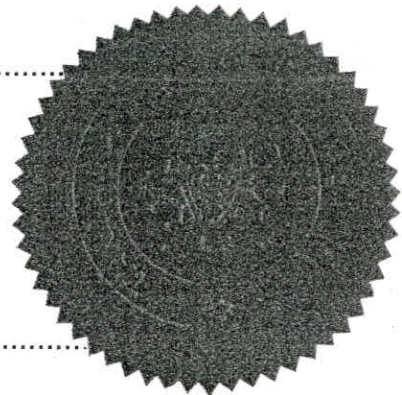
ILALA - DAR ES SALAAM

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

Ag. Executive Director

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

Dated 16TH APRIL 2013



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 (%)
<b>Zhang Sheng Li</b>	<b>Chinese</b>	<b>33.3</b>
<b>Wang Hui</b>	<b>Chinese</b>	<b>33.3</b>
<b>Ning Xue Yi</b>	<b>Chinese</b>	<b>33.4</b>
  
2. Proposed Activities : **To establish project for plastic recycling**
  
3. Sector: **Manufacturing** Subsector **Plastic recycling**
  
4. Investment cost: Foreign **USD 2.704m.** Local **-** Total **USD 2.704m.**
  
5. Project Financing:
 

Equity.....	<b>USD 1.63m.</b>	<b>Loans..... USD 1.074m.</b>	<b>Total..... USD 2.704m.</b>
-------------	-------------------	-------------------------------	-------------------------------
  
6. Source, terms and conditions of loan.....
  
7. Assets to be invested:
 

	Foreign	Local	Total
Capital items:	<b>USD 2.704m.</b>	<b>-</b>	<b>USD 2.704m</b>
  
8. Technology Agreement ..... **None**
  
9. Date of TIC Registration: ..... **2nd April 2013**
  
10. Implementation period ..... **April 2013 - March 2016**
  
11. Operative date..... **April 2016**
  
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, 199**
  - (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
 

**Finished goods are not allowed under this Certificate**

Signed   
Ag. Executive Director



2<sup>nd</sup> Floor, FNB House, Ohio Road, Dar es Salaam  
P.O. Box 72290, Dar es Salaam, Tanzania  
Website: www.fnb-tanzania.co.tz

17 April 2013

Customer Unique Number (For Office Use) 000000032512533

#### CUSTOMER INFORMATION AND AGREEMENT

This document records your information and which FNB products and services you have applied for. Your application for certain products/services is subject to approval and will only be available once approved by the bank. It also records the terms, conditions and rules that govern our relationship with you. Check this document carefully before you sign it. Keep this document as a reference.

#### Your Personal Information

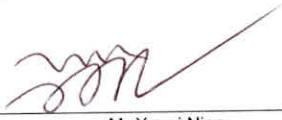
First Name & Surname	Mr Xueyi Ning	ID/Passport Number	G31636355
Street Address	14/1 Ilala Makaburini Nyerere Road, Kinondoni, Dar Es Salaam, 0000	Cellphone Number	25576 9029999
Postal Address	P.O.Box 31301, Kinondoni, Dar Es Salaam, 0000	Email Address	liangdianpj@163.com

#### Products and Services you applied for

<b>Account Type</b>	<b>Account Number</b>	<b>Branch Code</b>
Consumer Cheque Account Dollar	62407600031	674501
<b>Pricing Option</b>	Consumer Cheque	
<b>Services</b>	inContact, Online Banking, Email Correspondence	
<b>InContact</b>	Notify me of transactions exceeding: TZS18,000.01	Notify me during the following times: Office Hours

#### Your Declarations

- I agree that to process my application(s), the bank will access my personal information from any credit bureaux. I further agree that the bank can disclose information about how I conduct my account and any overdraft facility to any other division of the bank and to credit bureaux. (Credit Bureaux hold and provide information about the credit worthiness of persons.)
- The information I have given the bank is true and correct. I will tell the bank if any of my information changes.
- I understand the features and benefits of the products and services. The way in which the products and services work was explained to me.
- I am aware of the fees that apply. I understand that information about fees is also available on [www.fnb-tanzania.co.tz](http://www.fnb-tanzania.co.tz) or from any FNB branch.
- I understand that terms and conditions apply to the products, services and my relationship with the bank. I agree to these terms and conditions. I have received a copy of these terms and conditions. (Copies can also be obtained from [www.fnb-tanzania.co.tz](http://www.fnb-tanzania.co.tz) or from any FNB branch.)

  
\_\_\_\_\_  
Mr Xueyi Ning

## FNB CHEQUE ACCOUNT RULES

Who qualifies for this account?	Each FNB cheque account has its own minimum income/age requirement. Visit <a href="http://www.fnbzambia.co.zw">www.fnbzambia.co.zw</a> for more information or contact us. These requirements may change from time to time. If you no longer qualify for the account you have or if your income/balance falls below any required amount, you agree that we can do any of the following: <ul style="list-style-type: none"> <li>• We can automatically transfer you to another suitable FNB cheque or transmission account; or</li> <li>• We can freeze or close your account. Before we do this we will give you reasonable notice.</li> </ul>
Required balance	To qualify for certain pricing you may have to keep a minimum balance in your account. Please see our pricing guide for information on the minimum balances that are required in order to qualify for the different pricing options on FNB Cheque Accounts. You must deposit your regular monthly income into this account. You must do this within six months of opening the account. We can cancel this agreement and close your account (after giving you reasonable notice to comply) if you don't do this.
Fees you must pay	Fees apply on this account. Refer to our latest pricing schedule for more information. Available at any FNB branch or on <a href="http://www.fnbzambia.co.zw">www.fnbzambia.co.zw</a>
Interest you will earn	No interest is earned on this account.
Payment devices/instruments	A cheque book is available on request.
Banking Channels	You can apply for our available ATM Cards Terms & Conditions apply.
Overdraft Facility	Subscription is available to the certain self-service banking channels. Visit <a href="http://www.fnbzambia.co.zw">www.fnbzambia.co.zw</a> for more information or contact us. Terms & Conditions apply. Refer to our latest pricing schedule for information on fees and charges.
Statements	An overdraft facility is available on this account. You must apply for this separately. Terms & Conditions of the credit agreement will apply to you once we grant you the facility even if you don't use the overdraft facility. You are entitled to one free statement.

## NOTIFICATION SERVICES TERMS AND CONDITIONS

- These terms & conditions apply to InContact, InContact-Pro, Electronic Subscriptions and any other notification service. The notification services we provide are a value add service, which is additional to any statement you may receive.
- You are responsible for ensuring First National Bank ("we") has your correct cellphone numbers and email addresses. We will not be held responsible if your SMS or email is sent to the wrong number or address, if you have not updated your records with the bank. (The InContact section on the Online Banking website allows you to verify and update these details.)
  - The InContact messaging service is designed to assist you and us to take steps to prevent unauthorised transactions. It will only cater for transactions that are greater than TZS 18000.00.
  - You have 24 hours from the time an incontact message is sent to query any unauthorised transactions on your account. If you do not query the unauthorised transaction, within this time, then at our reasonable discretion, you will be deemed to have authorised the transaction and you may be liable for the transaction. You will be responsible for proving you were not negligent in notifying us.
  - Because we depend on external service providers to deliver information, we cannot guarantee the accuracy or arrival of an SMS and/or email.
  - If there is a dispute about whether or when you received a message our system records, confirmed as correct by our system administrator, will serve as prima facie proof of the date and time of sending a message.
  - We accept no liability whatsoever, and you indemnify the bank against any loss, expense, claim or damage, whether direct, indirect or consequential, arising from the use of these notification services, or arising from any delay or failure by us to send an email or SMS if this was as a result of the services of a network operator or because you didn't update your contact information.
  - We make no representation or warranty, whether express or implied, as to the operation and functionality of the service.
  - By using or signing up for the service you acknowledge and agree to these terms.



## REMOTE BANKING AGREEMENT

This agreement applies to you if you use any of the following banking service channels:  
 FNB Online Banking, FNB Cellphone Banking

## 1. ACCEPTANCE AND REGISTRATION

This agreement records the terms and conditions that applies to the bank's non-face to face remote banking service channels, which includes FNB Online (excluding Online Banking Enterprise), Cellphone Banking ("service channels").  
 For convenience, in this agreement "you" or "your" refers to both "the customer and user(s), or the customer or a user, as the and/or transit on its accounts, using the service channels ("users"). For convenience, in this agreement "we, us, or our" only refers to the bank. This agreement governs your and context" requires" and (where appropriate) also refers to any separate legal entity, such as a company. In this agreement "we, us, or our" only refers to the bank. This agreement governs your and our rights and obligations when you use any of the service channels. You will become bound to the most recent version of this agreement when you register to use any of the service channels; obtain access rights; access mechanisms and/or access codes to use any of the service channels; or when you use any of the service channels, whichever happens first. Before you can use the service channels you may have to register on the service channel. Refer to [www.fnbzambia.co.zw](http://www.fnbzambia.co.zw) for more information on how to register for the different service channels. To use the service channels you must be at least 18 years old or have your parent/legal guardian's consent or be emancipated. By registering to use the service channel you confirm that you are at least 18 years old or have your parent/legal guardian's consent or have been emancipated, as the case may be.

Please also see our Privacy Policy (found on [www.fnb.co.za](http://www.fnb.co.za)), which explains how, and when we collect, use, share and store your personal information.

## 2. OTHER AGREEMENTS ALSO APPLY TO YOU

Certain products and services that you use or access via the service channels are subject to their own terms and conditions, such as the bank accounts or services you access, your ATM card, credit and debit card. This agreement (governing the use of the service channels) must be read together with, and forms part of each product agreement. In the event of conflict between this agreement and such other terms, the provisions of such other terms will prevail to the extent of the conflict.

Prepaid products are subject to the terms and conditions of the applicable Network Operator or provider.

You must also comply with the guidelines published on the service channel from time to time. If there is a conflict between this agreement and such guidelines, this agreement will override the guidelines.

From time to time we may include hyperlinks to terms & conditions ("Terms") on the service channel which are available elsewhere. Where it is not possible to use a hyperlink we may refer to the Terms on the service channel. You must follow our instructions or follow the hyperlink and read the Terms, as they form part of the agreement between you and us. If the service channel you are using does not enable you to access the Terms via a hyperlink or if we merely refer to the Terms you must visit our website, our branches or contact us or follow our instructions, to obtain a copy of the Terms.

## 3. FEES

Refer to our pricing guide for more information on any monthly access fees or transaction fees that apply. A copy can be obtained on [www.fnbzambia.co.zw](http://www.fnbzambia.co.zw) or from any FNB branch. Fees (if applicable) will be debited from your nominated bank account. If you don't pay our fees we can refuse to allow you access to the service channel.

## 4. ACCESS CODES

For security, identification and verification purposes, when using FNB's service channels, you will make use of a variety of access codes to identify yourself, such as your access number, Personal Identification Number ("PIN"), Cellphone Banking Personal Identification Number ("Cellphone Banking PIN"), card number, account number, User ID and Password, etc. These are all called your "access codes". You are responsible for keeping your access codes secret. You must not give/show your access codes to anyone else, including anyone who is from FNB or claims to be from FNB. Do not keep your access codes together with other FNB Banking documents or any devices you use to gain access to the FNB service channels, (e.g. e-Reg Card or Telephone Banking Card or your cellphone). The customer has the right to demand the return of any physical devices we provided to its users, including the Telephone Banking card or e-Reg Card, but the customer is not entitled at any time to use, have any knowledge about or access to its user's access codes. When the customer repossesses such physical access device it must notify the bank in writing or via the helpline, and the card or device must be destroyed or returned to the bank. You must also follow the tips for creating/safeguarding your access codes, as published in FNB's Security Centre from time to time. You may not register for the service or access the service channel using someone else's access codes, information or device. Because we deal with you remotely (non-face-to-face) you authorise us to act on and accept all instructions/transactions ("transactions") that occur after your access codes have been entered or applied. We are entitled to assume that all such transactions have been authorised by you. You must tell us immediately if you know or suspect that your access code(s) have been lost, stolen or may be misused. If there is a dispute about this, the duty is on you to prove that you have done this. After we have disabled your access codes we can reject instructions received after such access codes were disabled and may (if possible) also suspend or reverse instructions received (but not yet processed) before the access codes were disabled. We may refuse to process instructions/communications or can disable your access, if you don't meet the verification criteria set by us from time to time.

## 5. NOTICE TO CELLPHONE BANKING CUSTOMERS

You agree that the bank can obtain your cellphone number from your network operator. For your protection, the bank may (but is not obliged to) use your cellphone number for authentication purposes.

## 6. ACCOUNT INFORMATION

Certain account balance information that is provided on the service channels may be delayed and may therefore not reflect recent transactions. You can confirm account balance information by contacting us.

**7. NO OFFER**  
Unless clearly stated, all material on the service channel merely constitutes an invitation to do business with us. It does not constitute advice or an offer or solicitation to buy or sell, to dispose of, or enter into any investment or transaction.

**8. INSTRUCTIONS RECEIVED WILL NOT BE PROCESSED IF FUNDS ARE NOT AVAILABLE**  
Any instructions we receive, including an instruction to pay a third party or transfer funds between your accounts will be subject to the availability of sufficient funds. If you do not have sufficient funds in your account we will not carry out the instruction.

**9. INSTRUCTIONS WILL NOT BE PROCESSED IF THEY EXCEED THE TRANSACTION LIMITS SET BY YOU OR THE BANK**  
All instructions we receive, including an instruction to pay a third party or transfer funds between your accounts, are subject to the transaction limits set by you or the bank. If you have exceeded your transaction limits we will not carry out the instruction. Refer to [www.fnb.tanzania.co.tz](http://www.fnb.tanzania.co.tz) for transaction limits, including default daily limits or contact our call centre.

**10. USERS ACT ON YOUR BEHALF**  
When you register to use any of the service channels you can appoint other person(s) ("users") to perform transactions and/or give the bank instructions, or view account information on your behalf, via the service channels. By allowing a user to access the account via the service channel, you give that person the authority to act as your authorised agent. Any act or omission by the user will be attributed to you and will be regarded as your act or omission.

**11. CHANGES TO A USER'S ACCESS RIGHTS**  
You must notify us immediately when any user's access rights must be changed or cancelled by completing and signing the required mandates/bank form(s). Any cancellation of, or change to a user's access rights will not affect any instruction submitted by the user before we have confirmed the change has been made.

**12. BANK IS NOT RESPONSIBLE FOR INCORRECT OR INCOMPLETE INSTRUCTIONS**  
You are responsible for giving us correct and complete information and instructions when you transact. We do not check or confirm any information, including the identity or bank account details of the recipients of any funds, it is your responsibility to check that the information you give us is correct. We will not be liable for any loss or damage if you provide the wrong or incomplete information. We will not be liable if you fail to complete an instruction or if you do not follow our instructions.

**13. WE DO NOT VERIFY OR CONFIRM INSTRUCTIONS**  
We can, but are not required to, request confirmation or verification of any transactions/instructions from you.

**14. TRANSACTIONS CANNOT BE CANCELLED**  
Certain transactions cannot be reversed or stopped once confirmed by you/finally submitted to us, including, the purchase of pre-paid products.

**15. TURNAROUND TIMES**  
Unless otherwise stated by us (on the service channel or otherwise), all transactions will be subject to the same turnaround times that apply to the same transaction, account and customer, when concluded at an FNB branch. Please also refer to the guidelines published on the service channel from time to time.

**16. WHEN WE WILL BE DEEMED TO HAVE RECEIVED INSTRUCTIONS AND COMMUNICATIONS FROM YOU**  
You may not assume that we have received an instruction until we have specifically confirmed receipt of that instruction, or given effect to that instruction, whichever happens first. Messages of an "unattended nature" or messages that were sent using auto response software or programs must not be regarded as a response or confirmation. If you don't know whether a transaction has been "unattended nature" or processed you must contact us. You must not submit an instruction as this can result in the same transaction being processed again. If this happens you will be responsible for such duplicated transactions.

**17. WE MAY RECORD OUR COMMUNICATIONS WITH YOU, INCLUDING OUR TELEPHONE CONVERSATIONS AND WE MAY MONITOR USE OF THE SERVICE CHANNEL**  
All conversations between you and us during telephone banking are recorded. These recordings will serve as sufficient proof of your instructions unless you can prove otherwise. For purposes of security, to maintain the integrity and security of our systems and the service channel, or to investigate and/or detect any unauthorised use of the service channel and our systems, for customer care or when the law requires us to do so, we may monitor and record communications/traffic on the service channel. You hereby agree that we can monitor and record your communications/transactions with us or your use of the service channel.

**18. FRAUD**  
Note: This section only applies where the fraud was committed by persons other than persons who have been authorised to act on the account holder's behalf. We will investigate any loss that a customer suffers which is alleged to have occurred as a result of fraud.  
You must inform us immediately on becoming aware that a suspicious transaction has taken place and must open a case at the nearest Tanzanian Police office. You must co-operate with us and The Tanzanian Police in any investigation.  
We will reimburse you once it has been established that you suffered loss as a direct result of the fraud provided:  
• you have complied with the safety tips specified by bank and this agreement; and  
• you had registered the account in question for InContact/InContact-Pro and were actively using the service at the time the fraud occurred.

**19. NOTIFICATION SERVICES**  
If you use notification services such as InContact or InContact Pro then the terms & conditions that govern InContact will also apply to you.

**20. HOW WE CAN COMMUNICATE WITH YOU**  
You agree that we can send you information about the service channels or this agreement by any means, including by publishing a notice on the service channel itself or using electronic means, including SMS or email.

**21. YOU ARE RESPONSIBLE FOR MAKING SURE YOU HAVE THE NECESSARY HARDWARE, SOFTWARE OR ACCESS TO SERVICES TO USE THE SERVICE CHANNELS**  
You are alone responsible for making sure that you have the necessary hardware, software and access to third-party communication services. For example if you want to use telephone banking you need to obtain the responsibility for paying the costs of obtaining the necessary hardware, software or third party communication services. You alone are responsible for making sure that you have the necessary hardware, software and access to third-party communication services. For example if you want to use telephone banking you need to obtain the recommended telephone and software, and are responsible for paying the relevant telephone network service provider charges that you incur when using the service channel.

**22. NO WARRANTIES**  
No warranties, whether express or implied, are given in respect of the service channels or the value added services, including in respect of their performance, quality, security, suitability, content, information, availability, accuracy, safety or reliability.

**23. CUSTOMER AND USERS USE SERVICE CHANNELS AND VALUE ADDED SERVICES AT THEIR OWN RISK. BANK NOT LIABLE**  
You will use the service channels and the value added services ("the services") at your own risk. You indemnify the bank against any claims by third parties or employees, in whose favour this constitutes a stipulation for the benefit of another.  
Although the bank has taken reasonable care to prevent harm or loss to you, the bank will not be liable for any kind of loss or damage you may suffer, including direct, indirect, special, incidental or consequential damages, because of your use of, or inability to use, the services. This will not apply where the loss/damage arose because of its gross negligence or willful intent. In addition to the above the bank is not liable for the following:  
• any loss or damage, which you or any other party, may suffer due to unauthorised interception and/or monitoring;  
• unauthorised transactions that were submitted after your access codes were entered;  
• late or delayed transactions;  
• loss or damage arising from the unauthorised use of the service channel including where a user exceeds their authority;  
• late or damaged if you didn't take reasonable steps to safeguard the account, the access codes and/or follow the steps recommended by the bank from time to time.

**24. YOUR PRIVACY**  
We respect your privacy. Our privacy policy is incorporated into this agreement and forms part of it. It can be viewed at [www.fnb.tanzania.co.tz](http://www.fnb.tanzania.co.tz).

**25. YOUR SECURITY**  
NOTE: Information that is transmitted over an unsecured link or communication system is susceptible to unlawful monitoring, distortion or access. For your safety you must follow the security tips/recommendations given to you via the service channels from time to time.  
You must never disclose your access codes to any person, including any staff member of FNB or any person claiming to work for or represent FNB in any way. You must (where applicable) log off from the service channel (e.g. Online banking) when you have finished transacting.  
You must use recommended hardware and software. Failure to do so may result in the service channel not being available or not operating properly. Failure to do so may also expose you to security risk.

**26. AVAILABILITY OF SERVICE CHANNELS AND VALUE ADDED SERVICES**  
The service channels and value added services may not be available from time to time due to routine maintenance or emergency repairs or because of the unavailability of electricity, any

telecommunication system or networks. In this case you must use the bank's other available service channels and take reasonable steps to minimize/prevent your loss or risk. Refer to the guidelines published on the service channels from time to time.

#### **27. THE BANK MAY CHANGE, SUSPEND OR CANCEL THE SERVICE CHANNELS OR VALUE ADDED SERVICES**

We may stop providing the service channels or value added services any time. We will however, notify you of this within a reasonable time of these changes being made. You agree that a notice published on the bank's website ([www.fnb.tanzania.co.tz](http://www.fnb.tanzania.co.tz)) or a notice sent to you via an email, an SMS or via post will be sufficient notice to you. You will be regarded as having accepted all transactions and changes to your account settings made via the service channels unless you notify the bank of your objection within 5 (five) hours of receiving a notification from us, by any means, including inContact and inContact-Pro. You must ensure that the bank has the correct contact details, including cellphone numbers, e-mail addresses and postal addresses for purposes of sending you notifications, including those to be sent for purposes of InContact/InContact-Pro. We cannot guarantee the accuracy or arrival of any communication, as we may depend on external service providers for delivery.

#### **28. THE BANK IS NOT RESPONSIBLE FOR LINKS TO THIRD PARTY CONTENT, PRODUCTS OR SERVICES**

For your convenience only, the service channels may allow you to view third party websites or content or purchase content, products or services provided by third parties. Even though we may make third party websites, content or products or services available to you, we do not endorse or recommend the third party or its products or services. You are alone responsible for deciding whether the third party or its products or services meets your requirements. Terms & Conditions and rules may apply to those products and form an agreement between you and the third party. You alone are responsible for obtaining the terms & conditions or rules that apply to you and the products or services. Without affecting your responsibility to obtain terms & conditions and rules the following terms & conditions apply to the following services: (only available to persons who are 18 years old or older):

- TAB Soccer 6: See Phumulela's Rules & Regulations on TAB website: [www.tabonline.co.za](http://www.tabonline.co.za) for more information.

We have no control over such third parties or their products or services. We will not become a party to any disputes between you and the third party. You alone are responsible for ensuring that the transaction is lawful.

We will not be liable for any loss or damage you suffer, whether directly or indirectly, as a result of a third party or its products or services or your use of the products or services. You alone take the risk of using or purchasing third party products or services. You indemnify us fully against any loss or damage you may suffer, or cause, in this regard.

#### **29. THE BANK IS NOT RESPONSIBLE FOR THIRD PARTY SOFTWARE**

From time to time we may make third party software/applications ("software") available for download via the service channel. You will be bound to the license terms of the software licensor. You indemnify us if you breach the license conditions. We make no warranty about the software, whether express or implied. You download and use the software at your own risk.

#### **30. THE BANK OWNS THE INTELLECTUAL PROPERTY IN THE SERVICE CHANNELS AND ITS CONTENT**

The contents of the service channels, including all registered and unregistered trade marks, constitutes our intellectual property rights. You may not copy, reproduce, display or use any intellectual property in any manner whatsoever without our prior written consent. Nothing on the service channels must be seen as granting any licence or right of use of any intellectual property. You may not establish any connection, including via a hyperlink, frame, meta tag or similar reference, whether electronically or otherwise to any part of the service channel or FNB website without our prior written consent.

#### **31. THE BANK CAN AMEND THIS AGREEMENT**

We reserve the right to amend this agreement or add new terms & conditions for the use of the service channels or value added services at any time. If you do not agree to the changes, you have the right to terminate this agreement before the expiry of 7 (seven) days after the changes take effect. If you do not notify us of your intention to terminate the agreement within this period, you will be deemed to have accepted the amended agreement/new terms & conditions. No changes to this agreement and no waiver of any of the bank's rights are binding unless reduced to writing and issued or signed by the bank's duly authorised representative/s. You may not amend this agreement. A certificate issued by a duly authorised FNB employee, whose authority need not be proved, will serve as proof as to which version of these terms as applied to you.

#### **32. HOW AND WHEN WE OR YOU CAN TERMINATE THIS AGREEMENT**

We can at any time terminate this agreement and/or the user's right to use the service channels, after giving you reasonable notice. This will not affect instructions given to us via the service channels before termination.

We reserve the right to terminate this agreement and your access rights immediately if any or a combination of the following happens:

- Fraud or suspected fraudulent activity.
- We believe that your behaviour was inappropriate or constitutes misconduct.
- You have breached this agreement.
- You no longer have access to the access device or facilities, e.g. Cellphone Network Service Provider terminates the user's registered cellphone number from its network.
- Your account is closed.
- We are compelled to do so by law.
- You have not used the service channel for a period of 6 (six) months. If termination occurs due to dormancy the customer will have to reapply for registration.

You may terminate the agreement by notifying us in writing or by contacting the relevant FNB helplines.

In the event of termination you will remain liable to the bank for all transactions, instructions and fees.

It is your responsibility to cancel scheduled top ups and any recurring services or payments you have set up using the remote banking channel.

#### **33. GENERAL**

Any communication from us to you will be deemed to have been sent at the time shown on the communication or on the bank's transmission logs. In any proceedings or dispute, the bank's records certified as correct by the FNB employee in charge of the service channel, will be sufficient proof of any instructions a user has provided/transaction a user has performed on the service channels, the content or services on any service channel or value added service, unless you can prove the contrary.

Where dates and times need to be calculated the international standard time (GMT) plus 2 (two) hours will be used.

The indulgence, extension of time, waiver or relaxation of any of the provisions or terms of this agreement, or failure or delay on the bank's part to exercise any of its rights will not operate as an estoppel against it nor shall it constitute a waiver by use of such right. We will not thereby be prejudiced or stopped from exercising any of our rights against you which may have arisen in the past or which might arise in the future.

Any provision in this agreement which is or may become illegal, invalid or unenforceable shall be ineffective to the extent of such prohibition or unenforceability and shall be treated as if it were not written and severed from this agreement, without invalidating the remaining provisions of this agreement.

This agreement will be governed by the laws of Tanzania without giving effect to conflict of laws provisions.

### **GENERAL RULES FOR FNB TRANSACTIONAL BANK ACCOUNTS**

In addition to the specific account rules the following rules apply to the named FNB Personal Bank Accounts\* ("accounts"). If you hold any of these accounts these rules will apply to you. These rules also apply to any person you authorise to operate the account. These rules apply in addition to the FNB General Terms & Conditions, which are available on [www.fnb.tanzania.co.tz](http://www.fnb.tanzania.co.tz).

#### **1. PAYMENT INSTRUCTIONS MUST NOT EXCEED AVAILABLE FUNDS IN YOUR ACCOUNT**

We are not obliged to pay any cheques or process any payment instructions (such as debit orders or scheduled payments to another person on a future date - once off or regularly) if this will cause you to exceed the available balance in your account. "Available balance" means, if applicable, an account's credit ledger balance plus any unused portion of a marked overdraft facility less the value of un-cleared cheque deposits and funds reserved for other purposes. We can however at our discretion process these payments. In such case you must pay us back the full amount we paid plus interest and charges. [Note: the available balance on your account does not include the balance in any linked account such as an FNB Savings Pocket You must contact us and arrange for a temporary overdraft, before you instruct us to process a payment that will exceed the available balance in your account.]

#### **2. TURNAROUND TIMES AND ERRORS ON PAYMENTS**

Unless you request a special service to speed up the payment process you must allow at least 2 (two) business days for an EFT (electronic funds transfer) payment to reach the beneficiary's account. In addition you must be aware that certain beneficiaries may have special processing requirements that may delay the payment process further. We are not liable for any loss or damage because of any errors or omissions you made when creating or sending payment instructions. We do not verify the bank account details or identity of beneficiaries. We are not responsible for any loss or damage because of system, technical or manual failures outside of our control.

#### **3. CANCELLING OR REVERSING TRANSACTIONS**

We will not reverse any payment instruction after it has been processed. We may (if possible) attempt to reverse an instruction, provided the recipient account is held with FNB and the recipient also gives us its explicit consent to reverse the transaction. Certain instructions cannot be reversed or cancelled once they are submitted. This includes pre-paid purchases. If the beneficiary has an account with another bank or financial institution, our role is only to pass on your instruction. We will not be liable for any act or omission on the part of such bank/institution. We will not accept an instruction to stop the payment of a validly drawn instrument after it is paid.

#### **4. CHEQUE DEPOSITS**

If an instrument (such as a cheque) is deposited into your account, we will credit your account immediately. However, the funds will only be available as cash when the instrument has been honoured. If you withdraw these funds before the instrument is cleared, you do so at your own risk. If the instrument is dishonoured/not paid, we will debit your account with the amount of the unpaid or dishonoured instrument and we will send the instrument back to you at your own risk. We are not responsible for errors resulting from incorrect information provided by you or on your behalf. We do not check that you are legally entitled to the proceeds of any instrument deposited into your account. You agree that we may clear cheques through any clearing system used by clearing banks.

#### **5. INTEREST**

Unless you have made prior arrangements with us, we will charge you interest if your account exceeds the available balance of your account. We will not charge more than the maximum rate of interest allowed by law. Interest rates are quoted on an annual basis and are calculated on the account's daily ledger balance. The rate of interest can change daily at our discretion without prior notice.

If the date for paying interest falls on a Sunday or a public holiday, interest will be paid on the next business day.

8. GENERAL

- The authority given to any authorised users comes to an end when you terminate the authority or where the law provides, such as on your death or if you become legally incompetent. payments and charges.
- You can cancel your authority at any time by completing the required bank forms. You will be liable for all transactions made before the authority was cancelled, including future dated authorised users.
- You must provide correct and up to date information about the authorised users on your accounts and you alone are responsible for deciding and checking what rights must be given to omissions on the part of the authorised user.
- You will be liable for all debts incurred by such authorised users including our fees and charges, any overdraw amounts plus interest on those amounts. You will be liable for any actions and
- If you complete the necessary bank form, we will allow another person to use your account.

7. AUTHORISED USERS

- You agree to pay all the expenses we incur in recovering any money you owe us, including, our legal costs on the attorney and client scale; collection charges; tracing fees, plus VAT.
- We can bring any action against you arising under this or any other agreement we have with you.

6. JURISDICTION AND COSTS

- Any notices or correspondence we post on our website, our ATM network, our branches or in the media will be considered to have been received by you on the date it was published.
  - o by fax, email or SMS, will be considered to have been received by you on the day it was sent, or in the case of a Saturday, Sunday or public holiday, on the next business day.
  - o post, will be considered to have been received by you within 14 days from the date on which we posted it;
- Any correspondence we send to you by:
  - o post, will be considered to have been received by you within 14 days from the date on which we posted it;
  - o by fax, email or SMS, will be considered to have been received by you on the day it was sent, or in the case of a Saturday, Sunday or public holiday, on the next business day.
- You must immediately tell us if any of your addresses, phone or fax numbers change.
- You can do this by contacting us, visiting any FNB Branch or by writing to us using the telephone number or address we have advised for this purpose. (If you change your street address, you must provide proof of your new address.) It may take up to 7 (seven) days for the change to be recorded on our systems.
- You must send any legal notices or summonses to the following address, which we choose as our domicile: 2nd Floor, FNB House, Ohio Road, Dar es Salaam. summonses.
- We will serve legal notices and summonses at the last street address we have on record for you. You choose this address as your domicile address for serving legal notices and also communicate with you using our website, our banking channels (online, cellphone, telephone, ATM or our branches) or by means of a publication/advertisement in the media.
- We will send any communications (including statements) to the last postal, street, email address, telephone, cellphone or fax number we have on record for you or that is known. We may We may communicate with you using any means (electronically, fax, paper).

5. ADDRESS FOR SENDING CORRESPONDENCE AND LEGAL NOTICES

- o disclose some of your personal information to these parties in order to get the information we need. If we do this we will never disclose more information than we need to.
- o get certain of your personal information from any other party (e.g. a credit bureau or a government agency);
- o do the following:
  - o in order to consider your application for any FNB products or services or maintain a relationship with you, you agree that we may - as part of our checking and account maintenance processes you have given us your consent;
  - o our interests require disclosure; or
  - o it is in the public interest to do so;
  - o the law requires us to do so;
- We will treat your personal information as confidential and take all reasonable steps to protect your personal information. We will only disclose your personal information if:
  - Transactions carried out, but not yet credited or debited to your account will not appear on your statement.
  - We will be entitled to assume the statement and transactions were correct or authorised even if they were not. We will not be liable for any loss or damage if you suffer because of this.
  - You must report any error or unauthorised transactions to us within 30 (thirty) days from statement date so where possible we can assist you to rectify the matter. If you don't do this we
  - You must check each entry on your statement carefully as soon as you receive it. We will not be liable for any loss or damage if you suffer because of this.
  - Your statement will show all the transactions on your account for the period written on the statement.
  - account rules/terms and conditions.
  - You may be charged an additional fee for statements requested over and above those normally provided. Statements are not automatically sent out on certain accounts. Please refer to the
  - We may either make your statements available electronically (e.g. via online banking) or we may send you your statements via email.
  - statements regularly
  - To help you to monitor transactions on your account we may make account statements available to you or you may request a statement from any FNB branch. You must review your

4. HOW WE TREAT YOUR PERSONAL INFORMATION

- We will treat your personal information as confidential and take all reasonable steps to protect your personal information. We will only disclose your personal information if:
  - Transactions carried out, but not yet credited or debited to your account will not appear on your statement.
  - We will be entitled to assume the statement and transactions were correct or authorised even if they were not. We will not be liable for any loss or damage if you suffer because of this.
  - You must report any error or unauthorised transactions to us within 30 (thirty) days from statement date so where possible we can assist you to rectify the matter. If you don't do this we
  - You must check each entry on your statement carefully as soon as you receive it. We will not be liable for any loss or damage if you suffer because of this.
  - Your statement will show all the transactions on your account for the period written on the statement.
  - account rules/terms and conditions.
  - You may be charged an additional fee for statements requested over and above those normally provided. Statements are not automatically sent out on certain accounts. Please refer to the
  - We may either make your statements available electronically (e.g. via online banking) or we may send you your statements via email.
  - statements regularly
  - To help you to monitor transactions on your account we may make account statements available to you or you may request a statement from any FNB branch. You must review your

3. STATEMENTS

- We may change our fees/charges from time to time. We will advise you of this by giving you notice of the changes within a reasonable time before the increase/decrease takes effect. Unless we say otherwise all fees are non-refundable.
- In return for providing you with banking products and services you agree to pay our fees and charges as set out in the rules and/or FNB's latest Pricing Guide. (A copy is available on [www.fnbzambia.co.zw](http://www.fnbzambia.co.zw) or from any FNB branch.)

2. FEES AND CHARGES

- This agreement sets out the general terms & conditions that apply to our relationship.
- You can transact on your account or obtain account information using different banking channels. We may also provide you with payment mechanisms such as a cheque book or ATM card. From time to time we may also make other services available to account holders. All of the above (banking channels, access mechanisms and services) are subject to their own rules. If you use these products/services these rules will also apply to you. To fully understand your and our rights and duties, you must read this agreement together with those rules.
- If there is a conflict between this agreement and the rules, the rules will apply.
- We can change this agreement and/or any of the rules at any time. We will tell you about any significant (material) changes to this agreement/the rules beforehand. Unless you cancel the agreement in question before the date the change comes into effect, we can assume that you agreed to the change.
- The words "us", "our", "we" or "the bank" only refers to First National Bank.

1. THIS DOCUMENT RECORDS YOUR AND OUR AGREEMENT

FNB GENERAL TERMS AND CONDITIONS

\*These rules apply to: FNB Cheque Account/FNB Smart Account/FNB Future account

requirements regarding cheques and that you will act responsibly.

legislation, the common law, CHR and the terms and conditions printed on the chequebook cover and each individual cheque, along with this agreement. You warrant that you understand the because of this. You must use alternative methods of payment for amounts that exceed this maximum amount. Your use and our processing of these cheques are governed by the relevant terms of the Clearing House Rules ("CHR") we may not honour any cheques that are drawn for more than the prescribed maximum amount and we will not be responsible for any costs arising prevent instruments from being stolen or altered. You must immediately report any theft or loss of cheques (blank and used) to us to request us to stop payment of the lost or stolen cheque. In is made out. You must make special arrangements if you want to speed up the processing time. You must take reasonable care when writing out instruments. This includes taking precautions to without the necessary signatures. Payment of an instrument may be delayed to give us time to check the signature on the instrument and the identity of the person or entity to whom the instrument required to pay cheques, promissory notes, bills of exchange or other negotiable instruments ("instruments") that appear to have been drawn, made or accepted and signed by you. We are not We may pay all cheques, promissory notes, bills of exchange or other negotiable instruments ("instruments") that appear to have been drawn, made or accepted and signed by you. We are not

8. RULES THAT APPLY TO CHEQUES

you must complete the necessary forms and prove your claim.

to be transferred to an FNB suspense account for safekeeping. You have the right to claim these funds for a period of sixty years from the date on which the account became dormant. To do this close your account. From the time the account is closed no interest will be earned on any credit balance. If any funds in the account are not claimed by the time we close the account, the funds will If your account is not used for more than one year we may close it. If the credit balance on your account falls below the amount as advised by us from time to time we will not notify you before we

7. DORMANT (INACTIVE) ACCOUNTS

- On termination:
- The full amount you owe us with respect to all transactions remains payable, subject to any arrangements in place in respect of the account.
- You must return any cheque books, debit, cheque or petrol cards we issued to you.
- You may not withdraw funds from your account until all outstanding transactions have been processed.
- To cover what you may owe us after termination you agree that we can retain sufficient funds in the account.

6. TERMINATION

We have the right to cancel this agreement and close your account at any time after giving you reasonable notice of this.

You can cancel this agreement by giving us notice in writing.

- You must tell us immediately if you are placed under an administration order, are sequestrated.
- If your estate is provisionally or finally sequestrated or if you pass away, or become legally incompetent the full amount you owe us will become due and payable and access to the funds in your account will be restricted.
- If we need to take legal action against you, one of our managers (who does not need to prove his appointment) will produce a certificate to the court, recording the amount you owe us. If you disagree with this certificate, you will have to prove that it is incorrect.
- In the case of fraud, suspected fraud, or where the law compels us, we can freeze or close your account and/or stop a service without notice to you.
- If there is a dispute about any matter or record, our records (certified as correct by any FNB manager whose authority need not be proved) will serve as *prima facie* proof unless you can prove the contrary.
- Unless we agree to this, you may not cede or pledge any of your rights or delegate any of your duties under your and our agreement.
- While we may give you extra time to comply with your obligations or decide not to exercise some of our rights, you must not assume that this means that our agreement with you has been changed or that it no longer applies to you. We can still insist on the strict application of any or all of our rights at a later stage.
- Each and every clause of the agreement and rules is severable from the others and the invalidity of one or more of the clauses will not affect the remainder of the agreement/rules, which will remain in full force and effect.
- The headings in clauses in our agreement and rules are included for reference only and must be not be used to interpret the agreement or rules.
- Unless it is clear from the context, in the rules and this agreement the singular includes the plural and vice versa.
- The words "including or include" must be read as "including, without limitation".
- For purposes of interpreting the agreement or any rules any reference to FNB includes its successors and assigns, and any of its officers, agents, staff and authorised representatives acting on its authority.
- We may terminate this agreement at any time by giving you reasonable notice of termination.
- We can change the terms and conditions that apply to you, the way you access your accounts, any services we provide. We can also add new rules, products or stop existing products at any time. We will only notify you of material changes and unless you cancel this agreement before the date on which the changes take effect, you will be bound to them.
- No amendment to this agreement or any rules and no waiver of any of our rights will be of any force unless it is recorded in writing and signed or issued by our authorised representatives.
- To the extent that we are permitted by law, we have the right, without notice to you, to combine any or all accounts that you may have with us and to set off any amount that you owe us against any amount that we hold to your credit for whatever reason. However, we reserve the right to combine only some of your accounts and then we will be entitled to claim from you any amount in respect of an account that has not been combined.
- In addition to this agreement you will continue to be bound by any tacit agreement between you and us relating to any account, the common law and by the present-day customs, procedures, practices and usage existing among bankers.
- Unless we say otherwise Tanzanian law will govern our relationship, the terms and conditions and rules without giving effect to any conflict of law provisions.

**THE UNITED REPUBLIC OF TANZANIA  
THE LAND ACT, 1999  
(NO: 4 OF 1999)**

**CONTRACT OF LEASE  
(UNDER SECTION 64)**

**AHMED NAZIRI HUSSEIN** of P.O. Box 21653, Dar es Salaam (Hereinafter called the lessor) fo The one part hereby agree to lease the Right of Occupancy registered under the above reference to **DONGCHEN INVESTMENTS LIMITED** of P.O. Box 31301, Dar es Salaam (Hereinafter called the Lessee) of the other part.


1. Description of the land  
**Plot No.:14/1, NYERERE ROAD  
ILALA MAKABURINI, DAR ES SALAAM**
2. Duration/Type of Lease  
**3 YEAR CONTRACT, RENT PAYBLE PER ANNUM IN ADVANCE**
3. Purpose of Lease  
**Commercial use only.**
4. Rent  
**\$2500.00/= (USD Two thousand Five Hundred Only) per month  
payable in advance (\$2500 X 12 Month = \$30,000)**
5. Date of execution of the lease  
**01<sup>st</sup> March, 2013.**
6. Date of delivery of possession of the demised land to the lessee  
**One Execution.**
7. Covenants by the lessee:
  - a) To pay rent reserved no the day and in the manner aforesaid.
  - b) To pay electricity and water bill on the demised premises each month regularly.
  - c) To permit the Lessor to all reasonable times to enter and examine the state of repair of the premises, and in case of rent default right of entry is given to the Lessor.
  - d) To abide by the regulations governing commercial premises, especially with regards to city regulation in respects of garbage and refuse.
  - e) Allowed to make alteration or addition to the demised premises with the Lessor's consent in writing upon mutual agreement.
  - f) Not to sub-lease part or whole of the premises.

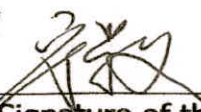
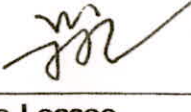


*Certified true copy*  
*Ahmed Naziri*  
*15/04/2013*

- g) Not to use or suffer the demised premises or any part thereof for any illegal or immoral purposes or for any hazardous material.
  - h) To pay 10% with holding tax, pay and obtain receipt from the income tax department and supply a copy of the said receipt to the Lessee, to be paid by the lessor
  - i) To yield up the demised premises in good condition at the expiration of the lease term hereby granted.
8. That the Lessee paying the reserved rents observing the stipulation herein on their part contained shall peacefully enjoy the demised premises without any interruption by the Lessor or any person claiming under or in trust for the Lessor.
9. Option to renew  
**By mutual arrangement on expiry of the lease term.**
10. Notice  
 Either party may give **Six months** notice of its intention to terminate the contract during the period of its subsistence.


Dated: 1<sup>st</sup> March, 2013  
 Place : Dar Es Salaam

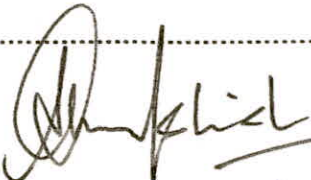

  
 Signature of the Lessor  
**AHMED NAZIR HUSSEIN**

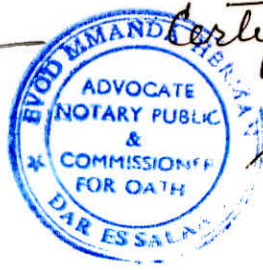
   
 Signature of the Lessee  
**NING XUEYI. C/O MOHAMED SAMI RAFI**



**WITNESS:**  
 Name: Mohamed Sammy  
 Address: Box 20482, DSM.  
 Signature: \_\_\_\_\_

Stamp:   
 1/03/2013

  
 Certified true copy  
  
 15/04/2013



3

TICC/PP.10/042412/3

2<sup>nd</sup> April, 2013

Managing Director,  
Dongchen Investments Ltd,  
P.O. Box 31301,  
**DAR ES SALAAM**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF PROJECT FOR PLASTIC RECYCLING**

We wish to acknowledge receipt of your project proposal to establish project for plastic recycling as presented in the TIC P.A. 1 Form No. 10916 and Feasibility Study with a projected investment of USD 2.704m.

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:-

- Company Board Resolution.
- Certified document showing evidence of Land ownership for the location of the project. (The Lease Agreement should be in the name of the Company and not less than three years)

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.10/042412/3

2<sup>nd</sup> April, 2013

*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**

  
B.D. Chonjo

**For: 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**  
**Dongchen Investments Ltd.**

Post Box	Ilala Makaburini, Plot No. 41/1	COI Number	97176	Contact	Mr. Ning Xue Yi
Post Office	21301	COI Date	14/02/2013	Designation	Managing Director
Region	Dar Es Salaam	Application F. No	10916	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0769 029 999
		Sub Sector	Plastics	Fax	0
		File No	042412	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD										
Block	Plot No. 41/1	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>1.63</td> <td>0</td> <td>1.074</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	1.63	0	1.074	0		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
1.63	0		1.074	0								
Street	Ilala Makaburini											
District	Ilala											
Region	Dar es Salaam											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	1.88
Zhang Sheng Li	Chinese	33.3	Plant	0.25
Wang Hui	Chinese	33.3	Vehicles	0.19
Ning Xue Yi	Chinese	33.4	Furniture & Fittings	0.034
			Pre-expenses	0.14
			Others	0
			Working Capital	0.21
			Total	2.704

Employment	39	Evaluated By	wf officer4
Capacity	1500 tons of plastic materials pa.	Drawn By	wf regist3
Project Turn Over		Project Type	Foreign

### Description

To establish project for plastic recycling

### Recommendations

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

### Decision

*Approved*

*[Signature]*

*Ag BXD*

*28/04/13*

# DONGCHEN INVESTMENTS LIMITED

P.O. Box 31301 Tel 0769 029999

Dar es Salaam, Tanzania

①

Ref. No. DIL/TIC/01/2013

18<sup>th</sup> March, 2013

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



Dear Sir,

## RE: APPLICATION FOR REGISTRATION OF WASTE PLASTIC RECYCLING PROJECT FOR CERTIFICATE OF INCENTIVES

We are a locally registered company being foreign direct investments from China. We are going to invest over USD 2.7 million for Waste Plastic Recycling Plant. Initially the project will produce PET flakes and other crushed plastic materials to be exported to China. Later on we are going to manufacture a range of plastic products from recycled PET, PP, LDPE and HDPE materials for the country's socio-economic development.

We therefore request your good offices to register our project with the Tanzania Investments Centre for Certificate of Incentives for its smooth take-off and implementation.

We herewith attach a detailed Business Plan, Copies of Memorandum and Articles of Association, Certificate of Incorporation for your necessary action.

We highly appreciate for your utmost co-operation.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Ning Xue Yi".

Ning Xue Yi  
**Managing Director**  
Dongchen Investments Limited  
Tel: 0769 029999





# 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](mailto:information@tic.co.tz)  
Website: [www.tic.co.tz](http://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 NING XUE YI  
(director/directors/agent of DONGCHEN INVESTMENTS LIMITED  
(name of business enterprise) apply for registration of PLASTIC RECYCLING PROJECT  
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 PLOT NO 41/1 BANDA LA  
NGOZI MSUFINI STREET, ILALA MAKABURINI, ILALA MUNICIPALITY  
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 PLOT NO 41/1 MSUFINI ST.  
ILALA MAKABURINI
4. The Principal Officers of the Company are NING XUE YI  
② WANG HUI  
③ ZHANG SHENG LI
5. Auditors of the Company are .....
6. The authorized share capital of the Company is Tshs./US\$ 1,000,000,000 (One  
billion shillings)

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 2,702,186
8. The month and day of the financial year end is 31<sup>st</sup> December

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\$

..... Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, NING XUE YI ..... of Post Office Number 31301

..... do solemnly and sincerely declare that I am a director/duly

authorized agent of DONG CHEN INVESTMENTS 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 18<sup>th</sup> day of March 2013 }

  
Applicant

Before me:





JANETH O. IGOGO

Commissioner for Oaths

**APPLICATION SUMMARY**

Company Name: DONGCHEN INVESTMENTS LIMITED

Certificate of Incorporation Number: 97176 Status: PLLC

Certificate of Incorporation Date: 14.02.2013

Post Box: 31301

Town: DAR-ES-SALAAM

Sector: MANUFACTURING Sub-Sector: PLASTIC RECYCLING

**Investment Financing Plan in Million US\$/Tsh:**

Foreign Equity	Local Equity	Foreign Loan	Local Loan
----------------	--------------	--------------	------------

<u>1,626,711</u>	.....	<u>1,075,475</u>	.....
------------------	-------	------------------	-------

Project Objectives: 1. Waste Plastic Recycling materials to be exported to China and supplying local manufacturers to increase national income.

2. To create employment to the <sup>down to down</sup> majorities in urban areas involved in collection of waste plastic.

3. To <sup>help</sup> in keeping the environment clean and free from degradation.

Capacity: 1,520 tons of plastic materials/yr reaching over 2,000 tons from Y3 onwards.

Employment: Foreign: 9 Local: 30 Total: 39

Implementation Period: 60 months

**Project Location**

Site/Plot/Block No.: 41/1

Street: Itala Makaburini District: ILALA Region: DAR-ES-SALAAM

(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>NING XUE YI</u>	<u>Chinese</u>	<u>20%</u>
<u>WANG HU I</u>	<u>Chinese</u>	<u>20%</u>
<u>ZHANG SHENG LI</u>	<u>Chinese</u>	<u>20%</u>
.....	.....	.....
.....	.....	.....

**Investment Breakdown**      US\$/Tshs.M

Land/Building	..... 1,881,393
Plant	..... 254,155
Vehicles	..... 186,000
Furniture & Fittings	..... 34,430
Pre-expenses	..... 137,973
Others	..... -
Working Capital	..... 208,235
<b>TOTAL</b>	..... 2,702,186

**Contact Details:**

Name: NING XUE YI .....

Title: MANAGING DIRECTOR .....

Telephone: 0769 029999 .....

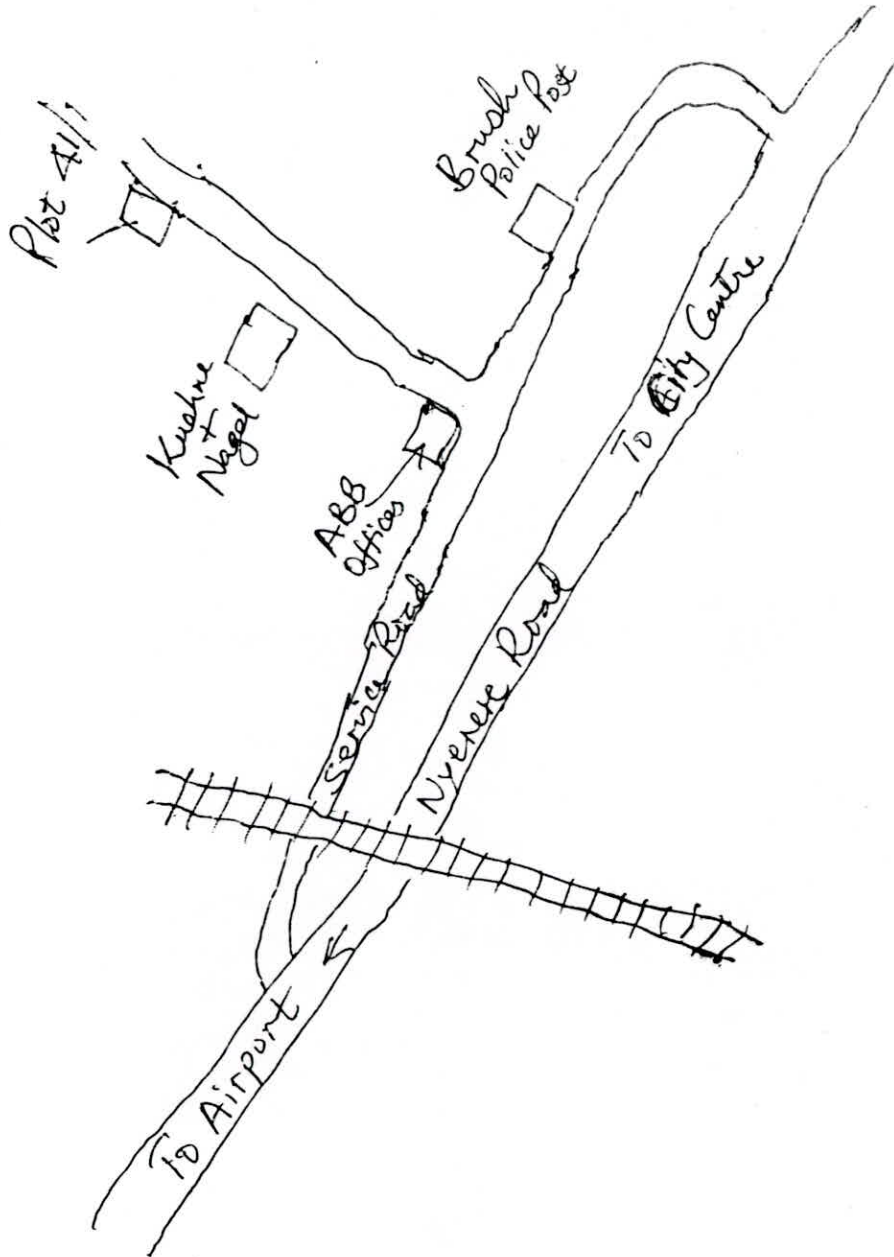
Fax: .....

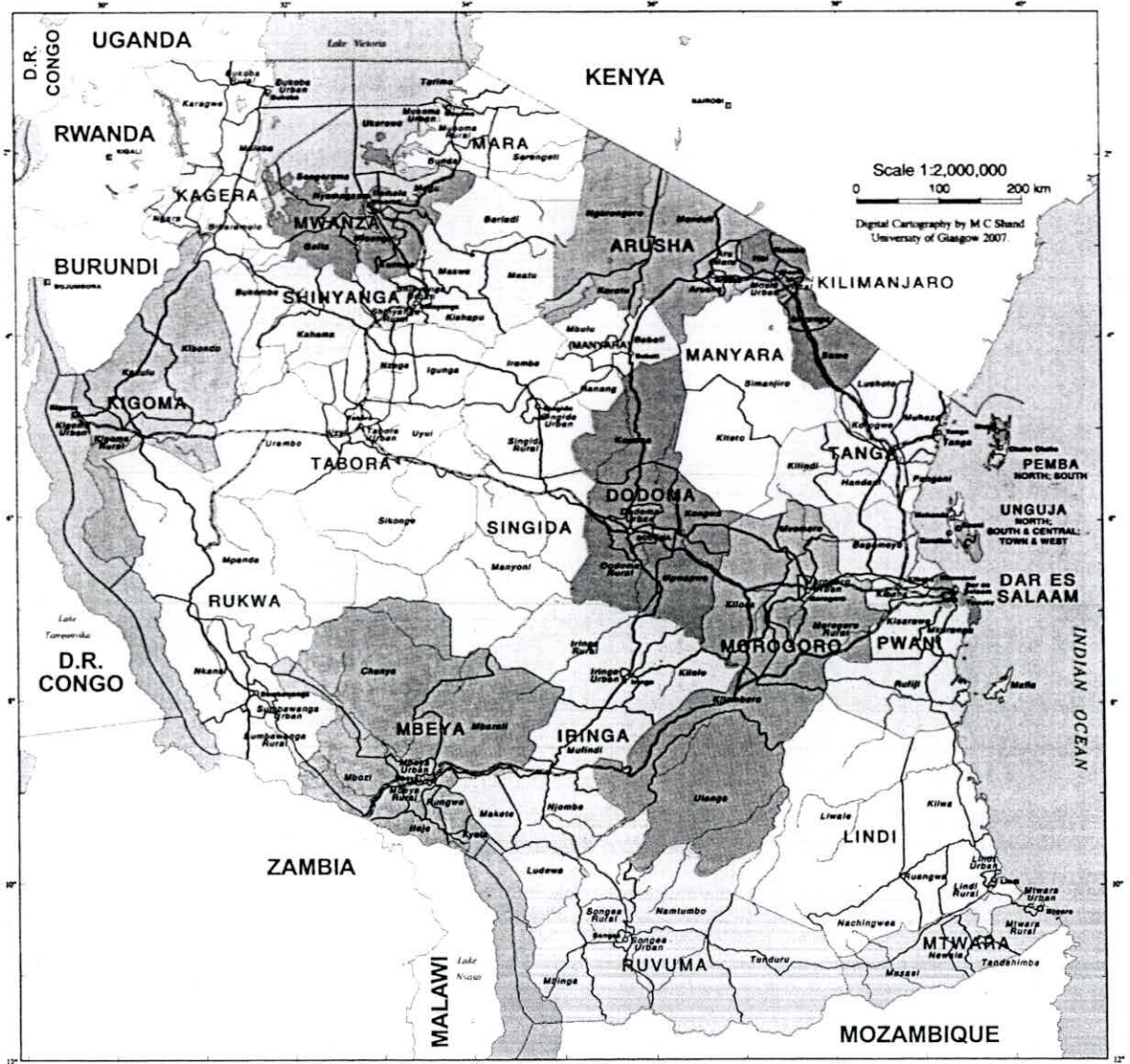
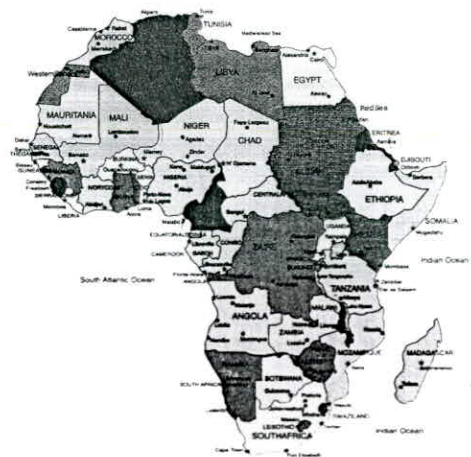
Email: Lidianpj@163.com .....

**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 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](mailto:information@tic.co.tz)  
Website: [www.tic.co.tz](http://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

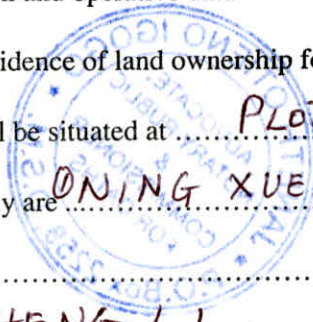
(Made under Regulation 42)

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

1. I/We NING XUE YI  
(director/directors/agent of DONGCHEN INVESTMENTS LIMITED  
(name of business enterprise) apply for registration of PLASTIC RECYCLING PROJECT  
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 PLOT NO 41/1 BANDA LA  
NGOZI MSUFINI STREET, ILALA MAKABURINI, ILALA MUNICIPALITY  
D'AR-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 PLOT NO 41/1 MSUFINI ST,  
ILALA MAKABURINI
4. The Principal Officers of the Company are NING XUE YI  
② WANG HUI  
③ ZHANG SHENG LI
5. Auditors of the Company are .....
6. The authorized share capital of the Company is Tshs./US\$ 1,000,000,000 (One  
billion Shillings)



7. The intended capital investment of the Company in terms of Section 2(2) of the Act

is Tshs./US\$ 2,702,186

8. The month and day of the financial year end is 31<sup>st</sup> December

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\$

..... Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, NING XUE YI ..... of Post Office Number 31301

..... do solemnly and sincerely declare that I am a director/~~duly~~

authorized agent of DONGCHEN INVESTMENTS 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 18<sup>th</sup> day of March 2013 }

  
Applicant

Before me:





JANETH O. IGOGO  
.....  
Commissioner for Oaths

**APPLICATION SUMMARY**

Company Name: DONGCHEN INVESTMENTS LIMITED

Certificate of Incorporation Number: 97176 Status: PLLC

Certificate of Incorporation Date: 14.02.2013

Post Box: 31301

Town: DAR-ES-SALAAM

Sector: MANUFACTURING Sub-Sector: PLASTIC RECYCLING

**Investment Financing Plan in Million US\$/Tsh:**

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>1,626,711</u>	.....	<u>1,075,475</u>	.....

**Project Objectives:** 1. Waste Plastic Recycling materials to be exported to China and supplying local manufacturers to increase national income.  
 2. To create employment to the <sup>down to</sup> majorities in urban areas involved in collection of waste plastic.  
 3. To <sup>help</sup> in keeping the environment clean and free from degradation.

Capacity: 1,520 tons of plastic materials/yr reaching over 2,000 tons from Y3 onwards.

Employment: Foreign: 9 Local: 30 Total: 39

Implementation Period: 60 months

**Project Location**

Site/Plot/Block No.: 41/1

Street: Itala Makaburini District: ILALA Region: DAR-ES-SALAAM  
 (Attach sketch map showing project location)

Shareholders	Nationality	%
<u>NING XUE YI</u>	<u>Chinese</u>	<u>20%</u>
<u>WANG HU I</u>	<u>Chinese</u>	<u>20%</u>
<u>ZHANG SHENG LI</u>	<u>Chinese</u>	<u>20%</u>
.....	.....	.....
.....	.....	.....

**Investment Breakdown**      **US\$/Tsh.M**

Land/Building	..... 1,881,393
Plant	..... 254,155
Vehicles	..... 186,000
Furniture & Fittings	..... 34,430
Pre-expenses	..... 137,973
Others	..... -
Working Capital	..... 208,235
<b>TOTAL</b>	..... <b>2,702,186</b>

**Contact Details:**

Name: NING XUE YI .....

Title: MANAGING DIRECTOR .....

Telephone: 0769 029999 .....

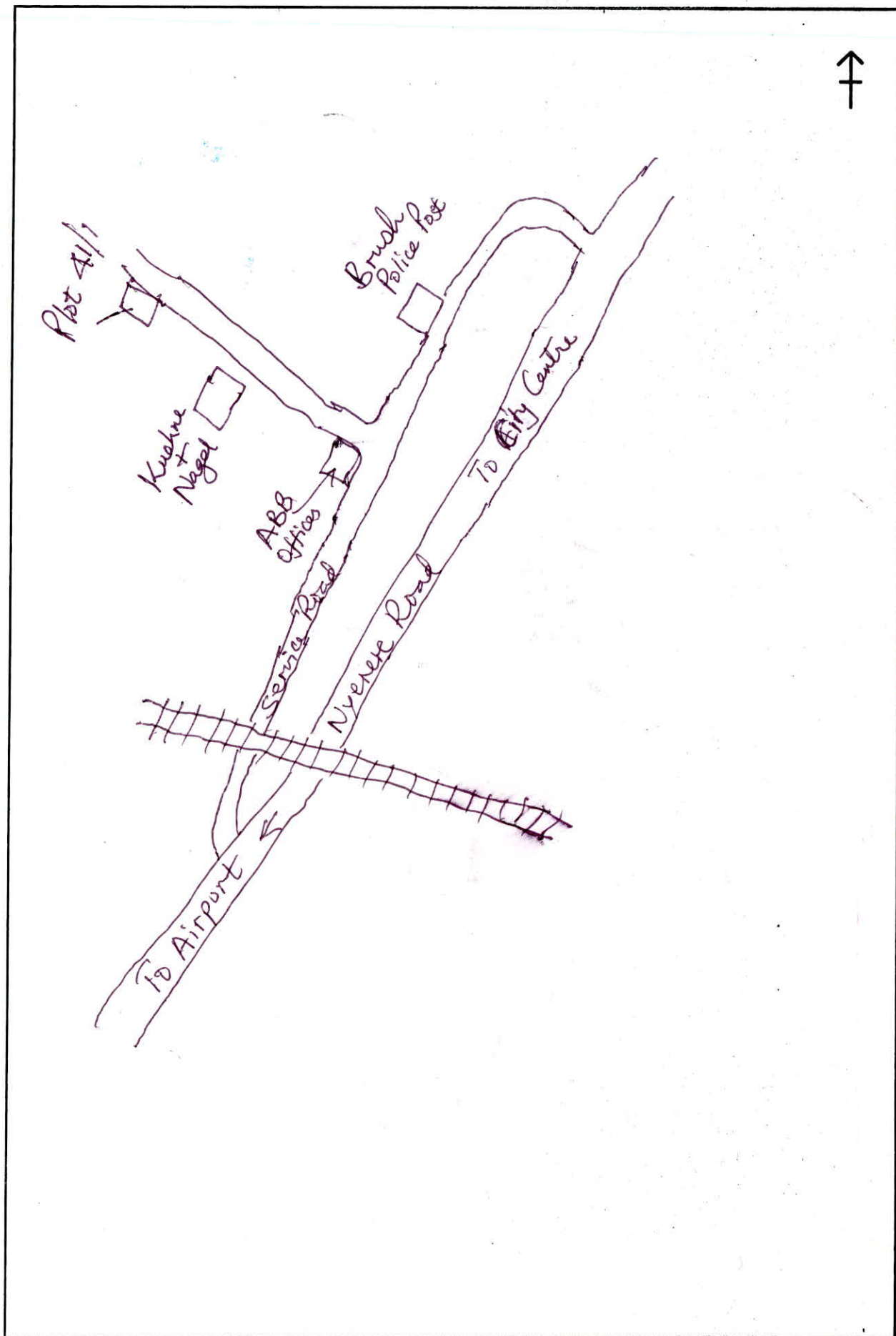
Fax: .....

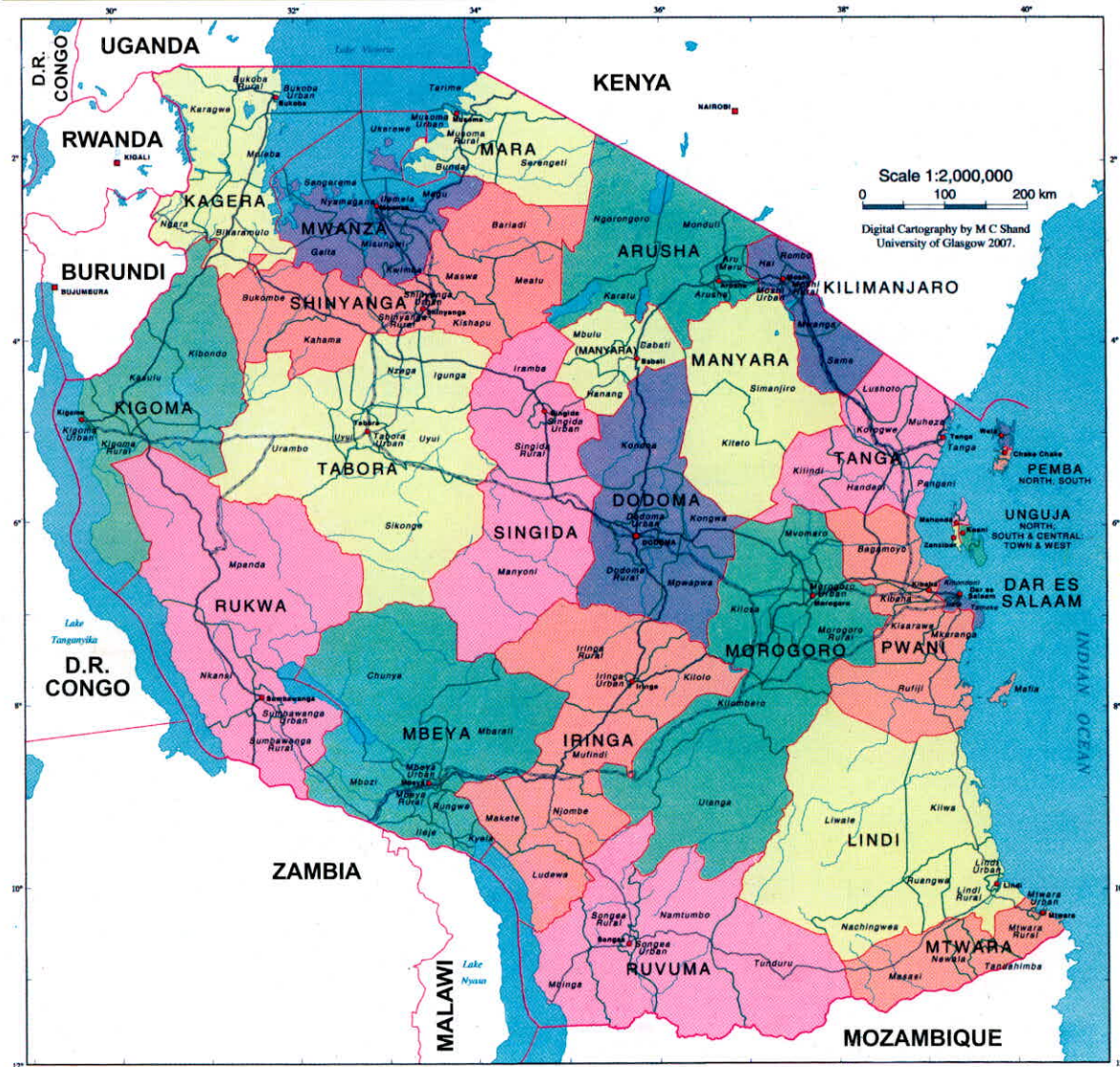
Email: Lidianpj@163.com .....

**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





**DONGCHEN INVESTMENTS LIMITED**

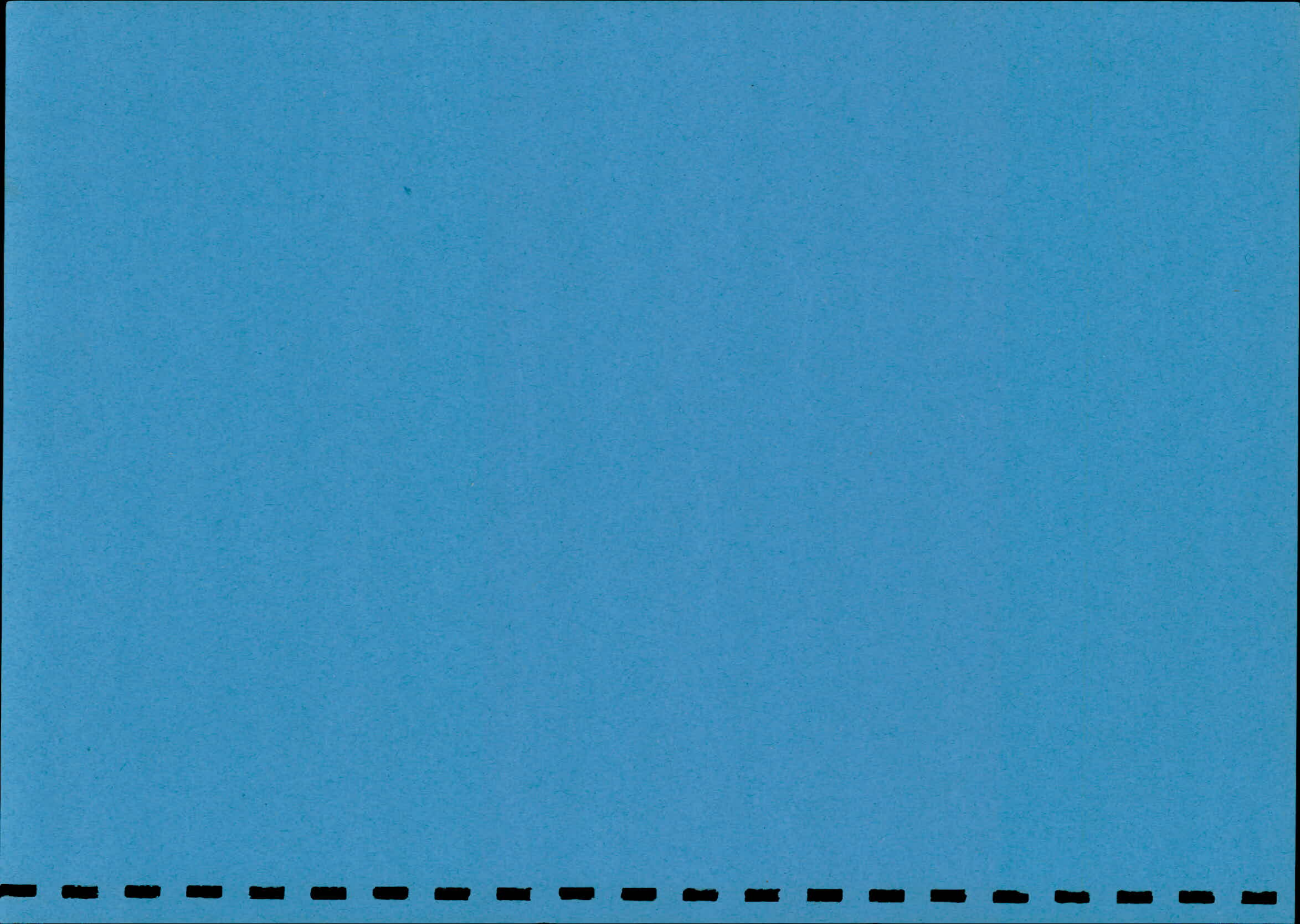
**BUSINESS PLAN**

**FOR**

**PLASTIC RECYCLING PLANT**

Dongchen Investments Limited  
P.O. Box 31301  
Dar es Salaam  
Tel: +255 769 029999  
Email: [liangdianpj@163.com](mailto:liangdianpj@163.com)

March, 2013  
Dar es Salaam



**DONGCHEN INVESTMENTS LIMITED**

**BUSINESS PLAN**

**FOR**

**PLASTIC RECYCLING PLANT**

Dongchen Investments Limited  
P.O. Box 31301  
Dar es Salaam  
Tel: +255 769 029999  
Email: [liangdianpj@163.com](mailto:liangdianpj@163.com)

March, 2013  
Dar es Salaam

## TABLE OF CONTENTS

	<b>Page</b>
<b>1.0 EXECUTIVE SUMMARY</b>	<b>1</b>
<b>2.0 PROJECT BACKGROUND</b>	<b>4</b>
2.1 Introduction	4
2.2 Brief Economic Review	4
2.3 Policies on plastic waste management	4
<b>3.0 COMPANY DESCRIPTION AND FINANCING SUMMARY</b>	<b>5</b>
3.1 Industry Overview	5
3.2 The Establishment	5
3.3 Project Objectives and Necessity	5
<b>4.0 THE MARKET</b>	<b>6</b>
4.1 The Product	6
4.2 Size and Characteristics of the Market	6
4.3 Target Market	6
4.4 Pricing	7
4.5 Competition	7
4.6 Promotion Strategies	8
4.7 Strategies set to achieve Company goals	8
4.8 SWOT Analysis	9
<b>5.0 TECHNICAL INFORMATION</b>	<b>11</b>
5.1 Location	11
5.2 Production Plan/ Service Description	11
5.3 Expenses and capital requirements	12
5.4 Cost of business development	12
5.5 Labour requirements	12
5.6 Investment on infrastructure	13
<b>6.0 PROJECT IMPLEMENTATION SCHEDULE</b>	<b>13</b>

<b>7.0</b>	<b>RISK ANALYSIS</b>	<b>13</b>
	7.1 Financial risk	13
	7.2 Business risk	13
	7.3 Management risk	13
<b>8.0</b>	<b>PROJECT MANAGEMENT AND ORGANISATION STRUCTURE</b>	<b>14</b>
	8.1 Management	14
	8.2 Key management team and organization structure	14
<b>9.0</b>	<b>FINANCIAL ANALYSIS</b>	<b>17</b>
	9.1 Project investment cost	17
	9.2 Financing plan for the project	17
	9.3 Components of the term loan	17
	9.4 Income projections	18
	9.5 Direct costs/ operating and financial expenses summary	18
	9.6 Projected working capital requirements	18
	9.7 Projected statements of comprehensive statement	18
	9.8 Projected statements of cash flow	18
	9.9 Projected financial positions	18
	9.10 Payback period	19
<b>10.0</b>	<b>THE PROJECT OUTCOME</b>	<b>20</b>
	10.1 Socio-economic benefits	20
<b>11.0</b>	<b>CONCLUSION AND RECOMMENDATIONS</b>	<b>21</b>
	<b>APPENDICES</b>	
	<b>ATTACHMENTS</b>	

## EXECUTIVE SUMMARY

### 1.0 Introduction

**Dongchen Investments Limited**, a locally registered Private Limited Liability Company (PLLC) wholly-owned by investors from China, is strategically investing USD **2,702,186** for a “green project” - Waste Plastic Recycling Plant to be implemented in two Phases. The Phase I of the project to be implemented in YI the Waste Recycling Plant is to be located on a Leased Plot No. 41/1 along Nyerere Road, Banda la Ngozi Area at Ilala Makaburini, Ilala Municipality in Dar es Salaam City. Phase II of the Project. to be implemented in the second half of YI shall involve expansion of the operations by investing to a second Waste Recycling Plant. The second Plant is to be located on a 4 acres Plot at Vikindu/ Kisemvule in Mkuranga District. The Company will expand its operations to manufacture plastic products fro recycled plastic materials.

### 1.1 The Company/Project Sponsors

**Dongchen Investments Limited** is a private limited liability company (PLLC) registered in 14<sup>th</sup> February, 2013 under the Laws of Tanzania Companies Act, 2002 having Certificate of Incorporation No. .

The Authorised Share Capital of the Company is TShs 1,000,000,000 divided into 100,000 Ordinary Shares each valued TShs 10,000.

Shareholders of the Company are:

NAME	NATIONALITY	NO. OF SHARES	%
NING XUE YI	CHINESE	20,000	20%
WANG HU I	CHINESE	20,000	20%
ZHANG SHENG LI	CHINESE	20,000	20%

### 1.2 Products/ Services

The primary source of income for the Company will be selling locally and exporting of PET flakes recovered from scrap or waste plastic. The recovered plastic materials will be exported to China to meet demands of manufacturers of polyester textile fabrics. After expanding operations to the Mkuranga site, Dongchen will start manufacturing PP buckets, HDPE Jerry Cans, and other plastic products like domestic utensils i.e. Cups, Chairs, Tables, Basins etc.

Environmental experts claim that it takes about 100 to 1000 years for plastic to decompose in the soil. Plastic waste management is one of the biggest challenges to maintaining a clean environment. This project aims to keep environment clean and free from non biodegradable plastic materials and creating employment in the labour-intensive industry of collecting plastic bottles and other plastic scrap.

### 1.3 Mission Statement

To become a recognised leading brand in green production management..

#### 1.4 Market Opportunity

Demand for crushed plastic materials (flakes) has registered unprecedented growth in recent years especially recycled plastic materials to feed the polyester textile industry. Modernisation of Tanzania economy with fast growing urban population unleashes opportunities for PET bottles to handle bottled water and soft drinks. The Tanzania population is over 45.0 million and the majority of them live in poverty offering good market opportunities for plastic utensils. Modernisation of food catering services with opening of tourist hotels, fast food outlets, bars and restaurants creates demand for plastic chairs and doors.

#### 1.5 Management Team

The Managing Director of the Company Mr. Ning Xue Yi and his fellow directors Mr Hu I and Mr. Sheng Li have more than 10 years of experience in the manufacturing sector. Through their experiences they can be able to run this operation at profitable levels within the first year.

#### 1.6 The investment cost of the project (USD)

Capital investment	2,355,978	87.18%
Pre-Operation Expenses	137,973	5.11%
Working Capital	208,235	7.71%
<b>Total investment Cost</b>	<b>2,702,186</b>	<b>100.00%</b>

#### 1.7 The Financing

PARTICULARS	AMOUNT USD	%
Equity Contribution	1,626,711	60.2%
Term Loan	1,075,475	39.8%
Total Financing	2,702,186	100.0%

#### 1.8 Profitability

Particulars	IN USD				
	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	1,545,264	1,766,058	2,188,928	2,464,700	2,464,700
Profit before Tax	246,226	300,306	467,262	670,542	677,902
% to Sales	15.93%	17.00%	21.35%	27.21%	27.50%
Net Profit After Tax	195,378	233,656	339,445	479,269	482,443
% to Sales	12.64%	13.23%	15.51%	19.45%	19.57%

**1.9 Conclusion and Recommendations:**

The analysis of this project indicates that the project is financially viable, economically viable, socially viable and operationally feasible. The project is considered a priority in terms of economic and social services programs for the nation. This project will help in creating employment to the poor urban dwellers and in stimulating investments in other economic activities..

It is recommended that the Tanzania Investment Centre approve the project and issue a Certificate of Incentives considering its sustainability and to its positive impact on meeting Global goals for keeping the environment clean and free from non-biodegradable plastic materials..It will also contribute significantly in improving national income.

## **2.0 PROJECT BACKGROUND**

### **2.1 Introduction**

Dar es Salaam is the commercial hub of Tanzania. The City population is estimated to be over 5.0 million. Local experts claim it is growing at an annual rate of 4.9% but the World Bank puts it at 8%. Dar es Salaam is said to be the 9<sup>th</sup> fastest growing City in the World. It is mainly influenced by unequal development pattern necessitating massive immigration to the City looking for green pastures.

Data produced three years ago by Makoba, N,D (2009) on his study on “ *Enabling Affordable Housing for Low Income Households in Tanzania: An Integrated Cost Modelling Approach* “ revealed that when the City population was 4.10million daily solid waste generation was 3,100 tons. Daily collection was 1,200 tons or 39% of daily solid waste generated. Unprecedented population growth poses the biggest challenge to the three Municipalities of Ilala, Kinondoni and Temeke on regard to solid waste management.

### **2.2 Brief Economic review**

Sustained reforms enabled Tanzania to be one of the leading destinations of foreign direct investments in Sub-Saharan Africa. In the year 2013 foreign direct investments to Tanzania is expected to grow by 10% compared to the year 2012. China has continued to invest to its former socialist ally economy Tanzania and thus replaced USA as the fourth largest investor in Tanzania in 2012.

For the past 10 years Tanzania economy registered an average growth of over 6.0%. The Government encourages investments in the manufacturing sector to export value-added agricultural products and other non-traditional exports to increase national income. Dongchen’s project is one of the foreign direct investments from China which will help in increasing national income and reducing poverty to the majority of poor urban dwellers.

### **2.3 Policies on plastic waste management**

All companies involved in manufacturing of plastic products are required to take corporate social responsibility in plastic waste management. As the plastic materials are a health hazard and a threat to the soil productivity, it is encouraged the world over to recycle plastics as part of the plastic waste management. The Government encourages Public Private Partnership in solid waste management. This Dongchen’s Plastic Recycling Plant project will complement Government efforts on sustainable plastic waste management. And since the industry is labour-intensive it will create employment opportunities in plastic waste collection as called under PPP and be a reliable source of

revenue. The project turns the plastic wastes from being a nuisance to an economic opportunity.

### **3.0 COMPANY DESCRIPTION AND FINANCING SUMMARY**

#### **3.1 Industry Overview**

The plastic recycling business in Tanzania is fast growing following increasing demand for crushed PET flakes and other plastic materials in China and Tanzania.

#### **3.2 The Establishment**

**Dongchen Investment nLimited** is incorporated as a Private Limited Liability Company under the Laws of Tanzania Companies Act 2002 on 14<sup>th</sup> February, 2013 having a Certificate of Incorporation No.

**Physical Address:** Dongchen Investment Limited  
Banda la Ngozi, Ilala Makaburini  
Near ABB Company along  
Ilala Municipality,  
P.O. Box 31301,  
Dar es Salaam  
Tel: 0769 029999  
Contact Person: Mr. Ning Xue Yi  
Managing Director

##### **3.2.1 Vision of the Company**

To become a recognised leading brand in green production management..

##### **3.2.2 Mission**

To have a well motivated team with modern technology for clean production systems to preserve the environment and building a good corporate image to the business customers. through excellence to maintain competitiveness in the plastic waste management industry.

##### **3.2.3 Core Values**

The Company offers equal employment opportunities basing on gender equality and equity and embracing innovativeness to meet sustainable environment practices for the welfare of the people.

#### **3.3 Project Objectives and Necessity**

- To exploit opportunities in the fast growing plastic recycling industry.
- To produce recycled PET flakes in demand by the innovative textile industry engaged in manufacturing of polyester fabrics..
- To help in mitigating unemployment problem to the unfortunate urban majorities engaging in collection of waste plastics who will find outlets to the Dongchen Recycling Plant.

- Plastic wastes in land refills take 100 – 1000 years to decompose affecting drainage in the soil and fertility. PET bottles are big environmental pollutants in beach fronts. This project will create a ready market for waste plastics greatly contributing in preserving the environment.

#### **4.0 THE MARKET**

##### **4.1 The Product**

The main product from the Company will be flake materials from recycled plastic waste i.e. PET Bottles, HDPE, PVC etc. These materials will be exported to China for manufacturing of textiles and new recycled plastic products. The Company will later expand its operations to manufacture recycled PET bottles, plastic chairs and other domestic plastic products like buckets, gallons, etc.

The project aims to keep environment clean & free from non biodegradable plastic materials.

##### **4.2. Size and Characteristics of the Market**

There is high demand for “green” products worldwide. As a result, demand for recycled PET fabric is on steady growth taking advantage of the market and new innovations on different ways to process the fabric, to use the fabric, or blend the fabric with other materials.

Tanzania economy is growing at an average of over 6.0% for a decade now with increasing investments on industrial production and tourism industry. Both these factors together with increasing disposable income to the Dar es Salaam City and other urban areas influences greater use of plastic products and daily production of waste PET bottles and other plastics as raw materials for the Dongchen Plastic Recycling Plant. Dar es Salaam population is over 5.0 million. Therefore used PET Water bottles discarded are at not less than 2.5 million. Therefore, this project investment will not create overcapacity but will complete national and international efforts for clean cities and in increasing national income from available resources.

##### **4.3 Target Market**

The target market for the company products is China. The country is fast growing with innovative approach in scientific industrial production for a range of plastic products and textile materials from recycled waste plastic materials. China is a market for over 1.5 billion consumers with aggressive export and re-exports drive.

Other targeted markets are:

- Soft drink manufacturers using plastic bottles for distribution of their products.
- Distributors of bottled drinking water.
- Home owners in need of domestic plastic products.

- **Urban population**  
Changes in lifestyles influenced by an increase in disposable income to the urban population under the impact of globalisation increases demand for water and soft drinks in PET bottles.
- **Tourists**  
Prudent promotion efforts has led to increased leisure and business travelers. The tourism industry is the biggest consumer of bottled water and dependable supplier of raw materials (waste PET bottles).
- **Automotive industry**  
The automotive industry consumes lubricants packed in plastic gallons. These discarded plastic gallons can later be recycled. The manufactured gallons from recycled plastic materials will later enter the agriculture industry for storage of chemicals and pesticides.

#### 4.4 Pricing

The recycled materials will be sold at a competitive price of USD 940/ ton for PET materials and other plastics PE, LDPE, HDPE at USD 1125/ton FOB Dar es Salaam Port.

The Company will later expand its operations to manufacturing plastic products from recycled waste plastic. The prices for these manufactured products shall be at a competitive level to withstand competition and be able to absorb operating costs to register good margins.

#### 4.5 Competition

The Company appreciates existence of competition from the existing and newly licensed plastic recycling businesses. The major players currently in the market are:

COMPANY	PRODUCTS AND CAPACITY
A-One Products and Bottlers Limited Subsidiary of MeTL Group	1. PP Buckets 12.0million/year 2. HDPE Jerry Cans 1.0 million/year 3. PET performs/Bottles/Cups
Bakhressa Group of Companies	To recycle 18 and 20 tonnes of plastic bottles a day
Tanzania Rudders Company (TRC) of China	Grinding 30 tonnes of used plastic bottles per day and export about 50 tonnes of grinding stuff a month to China.
SV Polymer Ltd	

Following increasing demand for PET flakes in China a number of companies have invested in the plastic recycling business. The plastic recycling plants obtain raw materials

from Dar es Salaam Used Plastic Bottled Association (UUCD).

To withstand competition, the Company will diversify its operations to establishing a network of supply chain for raw materials (plastic wastes) from the regions for sustainable running of the installed machines. The recycling operations from the two sites i.e. Ilala and Mkuranga plants will increase supply of plastic flakes. The two plants will be able to export to polyester textile industry in China and local manufacturing of plastic products to supply Tanzania and the regional markets of East African Community (EAC) and Southern Africa Development Community (SADC).

#### **4.6 Promotion Strategies**

The Company appreciates the existence of both potential and new entrants into the market, and thus underscores the need for strategic marketing by offering reliable services to customers of value for money. One of the core strategies is to recruit best people from the job market and then exposed to continuous training sharpening their skills in total quality production and customer care. The aim is to create sustainable atmosphere and a brand that is acceptable to customers for competitive advantage in the plastic recycling sector..

#### **4.7 Strategies set to achieve the Company goals**

The Company's professional Board of Directors have set strategies that are inevitable key to the success of the project and sustaining operations in the globalised business environment.

##### **(a) Marketing Management**

The marketing function is one of the critical components of any business for survival strategies. Therefore,

- (i) The Company shall maintain continuous market research and compiling data on market trends, the company's market share, the level of competition and how to adapt to the market behavior for profitable operations of the entity.
- (ii) The Company shall have a hefty budget for market promotion activities.
- (iii) To build up a good corporate image through unbroken communication within internal customers (employees) and external customers to ensure timely satisfaction of market needs for better performance of the business.

**(b) Production Management**

In order to maintain sustainable levels of operations, the Company's Board of Directors has set to ensure:

- (i) Recruitment and placement of competent and well skilled Chinese staff at all levels of operations that will be understudied by local personnel to facilitate rapid expansion of the operations. The Company shall also motivate employees to instill a sense of commitment and self-initiatives for increased production and productivity.
- (ii) To improve relations at workplaces and establishment of rewarding procedures against standards set to sustain business growth.
- (iii) To ensure the business is managed profitably through instituting proper budgetary control measures with effective coordination and monitoring systems for planning and control measures.
- (iv) The Company shall adopt Total Quality Management system and motivating employees on commitment to meet standards of quality and safety.
- (v) To ensure the business is conducted through a set of goodness and standards set by the Laws of Tanzania on preserving the environment and Labour Laws including those provided in the Company's Policy.

**4.8 SWOT Analysis**

The Strengths, Weaknesses, Opportunities and Threats of the Company are:

**(a) Strengths of the Company**

Strengths of the Company are:

- The Company Shareholders and Members of the Board of Directors have successfully engaged in the manufacturing and plastic recycling business for more than 10 years and strategically aiming the business to be among the leading local companies in the plastic recycling sector.
- The Company is ideally located few metres off Nyerere Road whereas raw materials can be easily transported to the factory premises.
- The Company Shareholders are capable of raising the necessary funds for running and rapid expansion of the business.
- Availability of professional staff for hire in running this project.

**(b) Weaknesses**

The Weaknesses of the Company are:

- Tanzania workers lack industrial culture. The Company shall commit a lot of resources in moulding the factory employees to meet international standards on sustaining factory operations..

**(c) Opportunities**

Opportunities of the Company are:

- This investment on Plastic Recycling Project has full blessing of the Government and international community on maintaining clean cities and in preserving the environment..
- The increasing use of recycled plastic materials in polyester textile industry. Following expansion of economic activities in the world with fast growing population amidst dwindling of natural resources, offers opportunity for recycling business to sustain operations.
- The fast growing population in Tanzania and in the developing countries offers reliable market for plastic products.
- Subsequent reforms in economic, financial and social fronts leads to modernisation of the economies leading to growths in the use of soft drinks and water packaged in PET bottles.
- The Government policy is to encourage rapid industrialisation.
- This project is labour-intensive. It will create employment to the majority of Tanzanians involved in waste PET bottles and garbage collection.

**(c) Threats**

Threats of the Company are:

- High financial costs may be great impediment to timely market expansion strategies.
- Unstable fuel prices which will subsequently increase transportation costs thus eroding competitiveness of company products in the market.
- Frequent power shortages may be disrupting smooth production operations necessitating increase in production costs through the use of generators.

## 5.0 TECHNICAL INFORMATION

### 5.1 Location

The project is to be located at Banda la Ngozi near Brush Police Post and ABB Offices along Nyerere Road branching off at ABB Offices along Msufini Street to Plot 41/1 Ilala Makaburini, Ilala Municipality in the City of Dar es Salaam. **Appendix B** is the attached Lease Agreement with the Owners of the Leased Facility.

Dongchen will later expand its operations by investing to new facilities at acquired Plot at Vikindu/Kisemvule in Mkuranga District, Coast Region. The Company will integrate its operations to both recycling of waste plastic and manufacturing of new plastic products from recycled materials.

### 5.2 Production Plan/ Service Description

#### 5.2.1 Production Management

This labour-intensive project is quite significant in preserving the environment. Dongchen contributes in creating employment to the majority of Tanzanians involved in collection of discarded PET (Plastic) bottles and other plastics from garbage. Waste plastics brought to the Factory premises are bought at a price of USD 0.28 per kg. These waste plastics are sorted to PE Bottles and other plastics PE, HDPE etc.

#### Crushing of PET Flakes

To obtain PET flakes the waste PET Bottles are intermittently fed to the recycling machine production line, the labels are separated by label remover and then crushed into flakes, then after the earth and sand are removed through hot washer, friction washer, and washing tank, then, dewater and dry to get clean PET flakes. Production capacity is 300 kg/h.

#### Detailed information on Waste Plastic Recycling Machines

The features of the Recycling Machine include: baler breaker, sorting platform, belt conveyor, label remover, sorting platform, belt conveyor, crusher, screw loader, single or double screws washing tank, screw loader, steam washing machine, screw discharger, friction washer, single or double screw washing tank, dewatering machine, drying machine, storage hopper etc.

Specifications of the Waste PET Recycling Machine are:

Electric consumption	:	100 KW to 300KW per hour
Water Consumption (Litres)	:	From 2,000 litres to 8,000 litres per hour. (The water can be recycled).
Working voltage:	:	380V 3PHASE, 50HZ

Flake size	:	14mm (based on customer's requirements).
Moisture	:	Less than 3%. (By using PET infrared crystallisation drier the final moisture can be 100 – 150 PPM.
PVC (PPM)	:	Less than 30PPM.

### **Recycling PP/ PE**

The production line involves crushing, washing, dewater and dry waste PP, PE.

Main production flow line for PP/PE Recycling machine consists of belt conveyor with metal detector→crusher→friction washing machine→screw loader→forced screw loader→steam cleaner→screw loader→friction washing machine→washing tank→screw loader→plastic rubbing machine→storage hopper → clean PP, PE material flakes

### **Specifications of the PP/PE Recycling Machine:**

Electric consumption(KW):	From 100KW to 300KW per hour
Water consumption(Tons):	From 2tons to 8tons per hour (the water can be recycled)
Working voltage:	380V, 3PHASE, 50HZ
Crusher screen (mm):	50-60 mm (based on customer's requirements)
Moisture:	3-5% ( By using films rubbing machine)
Capacity (KG/H)	300KG/H

### **5.3 Expenses and Capital Requirements**

Capital investment for the project will be from equity contributions and term loan. All financial projections are shown in Appendix I – X. They include the investment costs needed, operating expenses, statements on comprehensive income, cash flow statements and statements on financial positions covering the first five years before expanding operations on recycling plastic materials to finished plastic products like chairs, tables, PET bottles, PP, PE HDPE products etc.

Operating expenses are shown in Appendix VI to this business plan. They are categorized into Variable/ Direct Costs, Fixed & Semi-Fixed Costs/ Operating Costs and Financial Expenses for five years of operation.

### **5.4 Cost of Business Development**

Costs of business development are most internally absorbed as is mostly involved payment on purchasing waste plastics, wages to the management, technical staff, drivers and other supporting staff. Another remarkable cost is transportation and port handling charges and documentation of delivery operations to China.

### **5.5 Labour Requirements**

The project will not face difficulties in recruiting qualified people to handle this business. The project shall recruit qualified Chinese expatriates to handle operations. These

expatriates will be understudied by local workforce with the aim of transferring technology to the locals. The Company directors have been in the recycling business for more than ten years. Their experience will ensure that core objectives and vision are achieved.

#### **5.6 Investment on infrastructure**

Investment on infrastructure is shown in Appendix I. The Company shall initially invest on factory building, warehousing facilities at the leased Plot 41/1 at Ilala Makaburini along Msufini Area.

The Company shall expand its operations by investing to a 4 acre plot to be installed with facilities as indicated in **Appendix I (iii)**.

#### **6.0 PROJECT IMPLEMENTATION SCHEDULE**

The project is expected to be implemented within a period of 16 months starting from February 2013 as indicated in Appendix A.

#### **7.0 RISK ANALYSIS**

##### **7.1 Financial Risk**

The Directors are running successful businesses in China in the same sector. They are able to secure funds for running of this project.

##### **7.2 Business Risk**

Recycling of plastics is an inevitable business to preserving the environment. Following opening of the economy to the outside world under the impact of globalization unleashed unprecedented increase in the use of bottled waters and other p-lastic materials. The business has a steady supply of raw materials and a ready market to the population of over 1.5 billion i.e. China and Tanzania.

##### **7.3 Management Risk**

Due to long experience of the Directors in the plastic recycling business and to their business endeavors combined with reputable market for the company products, the management risk should be minimized.

## **8.0 PROJECT MANAGEMENT AND ORGANISATION STRUCTURE**

### **8.1 Management**

The Managing Director shall be responsible in supervising the profitable operations of the project and is directly answerable to the Board of Directors. In executing the daily functions the managing director is assisted by the Operations Manager and Finance and Administration Manager.

#### **8.1.1 Policy Matters**

The Board of Directors shall be the overall controller of policy matters of the Project appointed from among the shareholders of the company. The Board of Directors will be responsible for formulating policies, setting long term objectives and strategies, setting goals and monitoring performance of the management.

#### **8.1.2 Employment**

Employment opportunities will be created as a result of this project during the construction and operational period.

The project will provide direct employment opportunities to 39 people whereas 9 of them shall be Chinese following the nature of the project which is new to the country.(Appendix VI). The project shall recruit best people in the market who will be trained and motivated to adopt industrial culture for success of any business.

### **8.2 Key Management Team and Organization Structure.**

The Company shall have competent management and adopt cost-effective management structure with smooth line of coordination for improved production and productivity. competent management.

The key people for the project will be:-

#### **Managing Director;**

The Managing Director will be responsible in coordinating and supervising implementation of various Board decisions and business goals. He will be in charge of all business operations and reports to the Company Board of Directors.

#### **Finance and Administration Manager**

The Finance and Administration Manager reports to the Managing Director and will be responsible for proper control of financial resources and in proper implementation of human resources policy. He/ She shall handle all corporate matters..

#### **Operations Manager**

The Operations Manager, reporting to the Managing Director, shall be responsible for proper scheduling of factory works, coordinating procurement, production and sales

activities for better performance and in timely meeting customers' needs to building up the corporate brand in the competitive business environment.

**Factory Supervisors**

Factory Supervisors, reporting to the Operations Manager, shall be responsible in motivating and supervising factory floor workers to meet targeted daily production goals at cost-effective way for profitable operations of the business.

**Maintenance Technicians**

The Maintenance Technicians, reporting to Factory Supervisors, shall be responsible for upkeep of machineries in tip top running conditions.

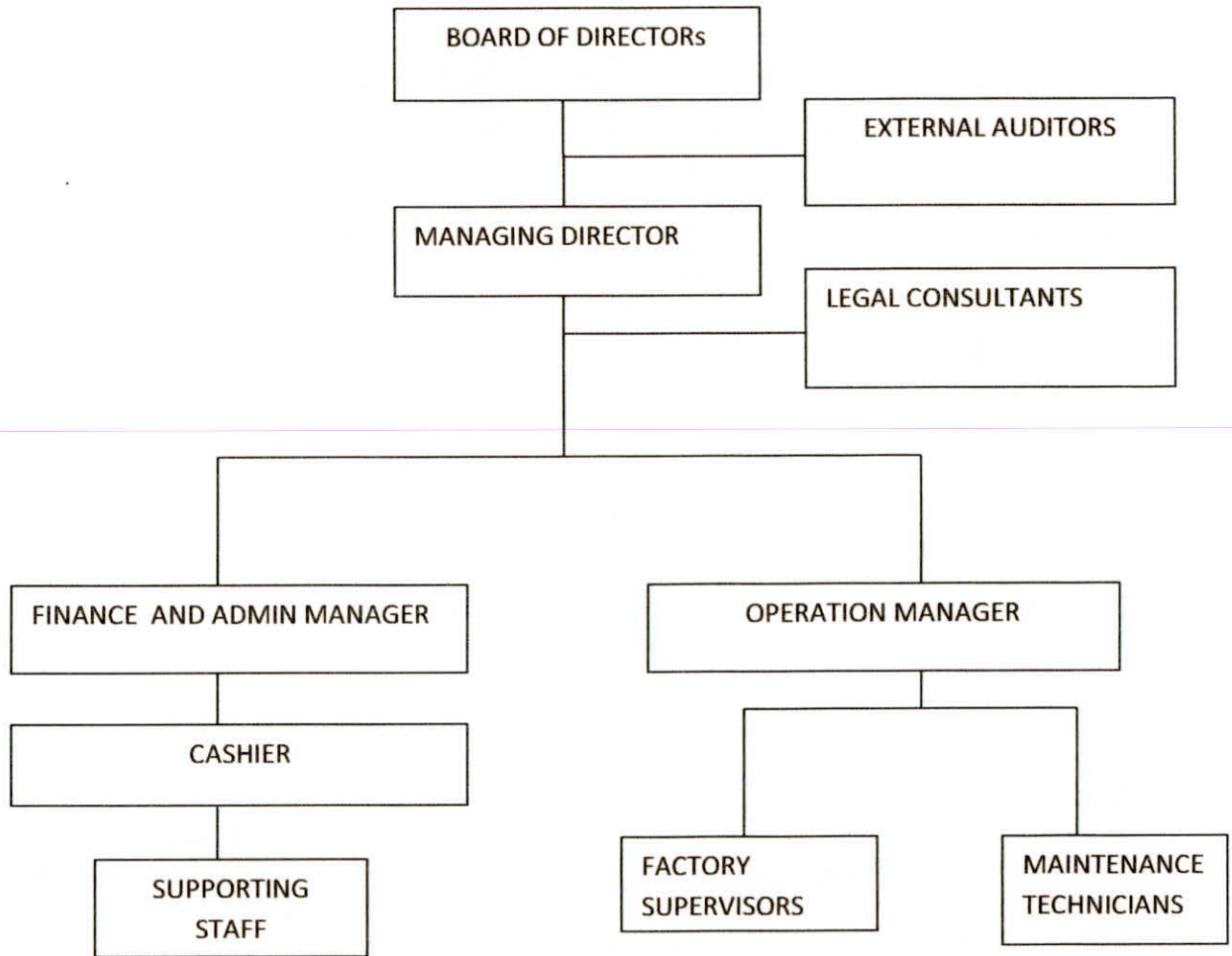
**Cashier**

The Cashier, working under the Finance and Administration Manager, shall be responsible for storekeeping and in effecting payments to suppliers of factory raw materials.

**Other Supporting Staff**

These are Machine Operators, Factory Attendants, Secretary, Drivers, and Office Attendants.

The organisational structure is shown herein below:-



## 9.0 FINANCIAL ANALYSIS

### 9.1 Project investment cost in USD

The Project investment cost is USD 2,702,186 as indicated herein below:-

ITEM	INVESTMENT STRUCTURE		TOTAL	%
	EQUITY	LOAN		
Land	200,000	0	200,000	7.40%
Buildings & other Works	1,016,953	664,440	1,681,393	62.22%
Plant and Equipment	179,355	74,800	254,155	9.41%
Vehicles	58,000	128,000	186,000	6.88%
Furniture	34,430	0	34,430	1.27%
Pre-Operation Expenses	137,973	0	137,973	5.11%
<b>Total Investment Cost</b>	<b>1,626,711</b>	<b>867,240</b>	<b>2,493,951</b>	
Working Capital	0	208,235	208,235	7.71%
<b>TOTAL PROJECT COST</b>	<b>1,626,711</b>	<b>1,075,475</b>	<b>2,702,186</b>	<b>100.00%</b>

Detailed investment structure is indicated in Appendix 1.

### 9.2 Financing Plan for the Project in USD

		%
Equity Contribution	1,626,711	60.2%
Term Loan	1,075,475	39.8%
Total Financing	2,702,186	100.0%

The above loan of USD 1,075,475 is to be repaid for five years at an interest rate of 7%. On Y1 only interest is paid for only six months. On Y2 interest is paid for 12 months and principal is paid for six months only. From Y3 to Y4 principal is repaid in full at USD 215,095 and on Y6 is paid for only six months. **(Appendix IV)**.

### 9.3 Components of the term loan

ITEM	COST IN USD	%
Buildings & other Works	664,440	61.8%
Plant and Equipment	74,800	6.9%
Vehicles	128,000	11.9%
Working Capital	208,235	19.4%
<b>TOTAL LOAN</b>	<b>1,075,475</b>	<b>100.0%</b>

#### 9.4 Income projections

Income projections is taken at a competitive level of USD 940/ ton for PET materials and other plastics PE, LDPE, HDPE at USD 1125/ton. (**Appendix II**).

#### 9.5 Direct Costs/ Operating and Financial Expenses Summary

The Costs for the project are shown in **Appendix V**.. The variable costs pertain to purchases raw materials (waste plastic), fuel and lubricant costs, utilities, repair and maintenance and direct labour.

#### 9.6 Projected Working Capital Requirements

The working capital requirements indicated in **Appendix VII** increases from USD 0.208million in Y1 to USD 0.313m in Y3 reaching USD 0.355m in Y5.

#### 9.7 Projected Statements of Comprehensive Income and Expenditure

The Projected Statements of Comprehensive Income and Expenditure (**Appendix VIII**) shows that net profits increases from USD 195,378 in Y1 increasing steadily to USD 339,445 in Y3 and reaching USD 482,443 in Y5 after meeting business obligations and loan commitments. Retained earnings increase from USD 195,378 in Y1 to USD 768,479 in Y3 and reaching USD 1,730,191 in Y5.

#### 9.8 Projected Statements of Cash Flow

**Appendix IX** provides changes in the projected cash inflows and cash outflows from Years 1 – 5. Capital investment for the project is USD 2,702,186. Net cash flows from meeting all business obligations including paying taxes is USD 781,515 in Y1 declining to USD 395,534 in Y3 and rising steadily to USD 584,544 in Y5.

Cumulative cash flows (closing balances) rise from USD 781,515 in Y1 to USD 1.108m in Y3 and reaching USD 2.238m in Y5. The project is able to meet its obligations including loan repayments without any difficulties. It is the aim of the Company to expand its business to manufacturing plastic products from recycled materials instead of selling crushed plastic materials to local operators and some exported to China.

#### 9.9 Projected Financial Positions (Balance Sheets)

Financial Positions' projections shown in **Appendix X** indicates that the net worth of the project rise from USD 2.084million in Y1 to USD 3.363m in Y3 and reaching USD 3.895m in Y5.

Current liabilities are well covered by current assets without any difficulties. On the whole the projected financial positions depict a healthy financial position.

**9.10 Payback Period**

<b>YEARS</b>	<b>Outstanding Amount</b>	<b>Net Profit</b>	<b>Economic Depreciation</b>	<b>Total</b>	<b>Balance</b>
<b>0</b>	2,702,186				<b>(2,702,186)</b>
<b>1</b>	(2,702,186)	195,378	83,676	279,054	<b>(2,423,132)</b>
<b>2</b>	(2,423,132)	233,656	164,262	397,918	<b>(2,025,214)</b>
<b>3</b>	(2,025,214)	339,445	142,431	481,876	<b>(1,543,338)</b>
<b>4</b>	(1,543,338)	479,269	124,767	604,036	<b>(939,302)</b>
<b>5</b>	(939,302)	482,443	110,359	592,802	<b>(346,500)</b>

**Payback Period = 5 <sup>1</sup>/<sub>3</sub> years**

## **10.0 THE PROJECT OUTCOME**

### **10.1 Social – Economic Benefits of Investment**

#### **10.1.1 Employment and Human Resources Development**

- This project will provide direct employment to 39 people i.e. 30 local and 9 Chinese expatriates. The multiplier effects of this project is that there will be a direct support to the majority of poor unemployed urban population involved in the collection of waste PET bottles and garbage with plastic wastes. This labour-intensive project will significantly help in reducing unemployment rate as envisaged under Millennium Development Goals (MDGs) and National Strategy for Growth and Reduction of Poverty (MKUKUTA II).
- The project will help in technological transfer of Plastic Recycling and Manufacturing technology to the Tanzanians. Nurturing of this technology will help in spreading of the technology to the youths with entrepreneurial skills being a spring board of creating employment to the youth in the urban centres.

#### **10.1.2 Improving Dar es Salaam Sanitation and Preserving the Environment**

- Dar es Salaam's daily disposal of solid wastes is over 3,100 tons with plastic wastes accounting over 15%. Daily disposal of waste PET bottles is over 1.5million units. Discarded empty PET bottles litters pollute beach fronts and City streets. Environmentalists claim that plastics on landfills take 100 – 1000 years to decompose thus threatening soil fertility.  
Dongchen's plastic recycling project will not only help in recovering scarce resources to enhance economic activities for human civilisation and keeping the surrounding environment clean. Instead of living waste plastics in dumping sites degrading the soil fertility, this recycling plant will create ready market for waste plastic..

#### **10.1.3 Foreign Exchange Generation**

Dongchen's plastic recycling project will create the much needed foreign exchange through export of plastic flakes to China and plastic products to neighbouring African countries.

#### **10.1.4 Increased Revenues to the Government**

- The investment will result in increased Government Revenue in VAT collections as well as Income Tax (PAYE, indirect taxes etc).

**11.0 CONCLUSION & RECOMMENDATIONS:**

- The analysis of this Plastic Recycling Project indicates that it is financially viable, economically and socially feasible to the national economy as at large subject to the observations and assumptions made in the report. This project investment will complement national efforts to boosting the manufacturing sector, preserving and protecting the environment up to required clean conditions.
- The project, in addition to exhibiting financial viability, will also be able to attract foreign exchange earnings, create employment and therefore contributing substantially to the country's GDP.
- Dongchen's project will contribute in boosting manufacturing sector in the country.
- Supporting the project is direct moves towards rapid industrialization of the nation with positive impact on raising national income

\*\*\*\*\*

## APPENDIX I

**DONGCHEN INVESTMENTS LIMITED**  
**WASTE PLASTIC RECYCLING PLANT PROJECT**  
**CAPITAL INVESTMENT STRUCTURE IN USD**

ITEM	TOTAL	EQUITY	LOAN
(i) Land 4 acres @ USD 50,000	200,000	200,000	-
<b>(ii) Construction Works Plot 41/1</b>			
(a) Rehabilitation of Office Building on Plot 41/1	60,000	60,000	-
(b) Construction of Factory Building and Warehousing Facilities 200 sq. m. @ USD 450	90,000	90,000	-
(c) Generator Hut	10,000	10,000	-
(d) Electrical installation	5,000	5,000	-
	165,000	165,000	-
5% Contingency	8,250	8,250	-
<b>Total Construction Works Plot 41/1</b>	<b>338,250</b>	<b>338,250</b>	-
<b>(iii) Construction Works on New Plot</b>			
(a) 2 Godown Facilities. Total built-up area 1,000 sq.m. @ USD 500	500,000	200,000	300,000
(b) Factory building 500 sq.m. @ 600	300,000	150,000	150,000
(c) Three- Storey Office Block and Residential Apartments -Total built-up area 400 sq.m. @ USD 500	200,000	100,000	100,000
(d) Perimeter Wall 1,120m @ USD 100	112,000	80,000	32,000
(e) Electrical fencing 3,360m @ USD 30	100,800	50,000	50,800
(f) Professional Fees -Architectural and Engineering Drawings 1.5% of construction costs	33,192	33,192	-
(g) Utilities 1.5% of construction costs	33,192	33,192	-
	<b>1,279,184</b>	<b>646,384</b>	<b>632,800</b>
5% Contingency and Plot levelling	63,959	32,319	31,640
<b>Total Construction Works</b>	<b>1,343,143</b>	<b>678,703</b>	<b>664,440</b>
<b>Total Construction Costs (i) and (ii)</b>	<b>1,681,393</b>	<b>1,016,953</b>	<b>664,440</b>
<b>(iv) Plant and Equipment</b>			
(a) Waste PET Bottle Recycling Machine 2 Units @ USD 15,000	30,000	30,000	-
(b) PE pp Films Washing Line Machine, HDPE, LDPE, PP PE Film, PP PE bags recycling	20,000	20,000	-
(c) Waste Plastic Recycling Pelletising Machine- Spaghetti Type	20,000	20,000	-

(d) Digital Weighing Machines 4 Units @ USD 2,500	10,000	10,000	-
(e) 4 Computers @ USD 1,500	6,000	6,000	-
(f) 4 UPS @ USD 350	1,400	1,400	-
(g) 2 HP Printers @ USD 400	800	800	-
(h) 2 Fax Machines @ USD 500	1,000	1,000	-
(i) 2 Scanners @ USD 150	300	300	-
(j) Standby Generators @ USD 68000	136,000	68,000	68,000
(k) 4 Television Sets @ USD 1000	4,000	4,000	-
(l) Miscellaneous Office equipment	200	200	-
(m) 3 Refrigerators @ USD 450	1,350	1,350	-
	<b>231,050</b>	<b>163,050</b>	<b>68,000</b>
10% Contingency, Freighting and installation costs	23,105	16,305	6,800
<b>Total Costs for Plant and Equipment</b>	<b>254,155</b>	<b>179,355</b>	<b>74,800</b>
<b>(v) Vehicles</b>			
(a) FUSO Trucks 10 Tonner 2 units @ USD 50,000	100,000	50,000	50,000
(b) Toyota Land Cruiser	78,000	-	78,000
(c) Noah Van	8,000	8,000	-
<b>Total Costs for Vehicles</b>	<b>186,000</b>	<b>58,000</b>	<b>128,000</b>
<b>(vi) Furniture</b>			
(a) 3 Executive Desks @ USD 2,500	7,500	7,500	-
(b) 3 Executive Chairs @ USD 500	1,500	1,500	-
(c) 3 Sofa Sets @ 3,500	10,500	10,500	-
(d) 3 Coffee Tables @ USD 250	750	750	-
(e) 3 Cabinets @ USD 350	1,050	1,050	-
(f) Other Furnitures and Fittings	10,000	10,000	-
	31,300	31,300	-
10% Contingencies	3,130	3,130	-
<b>Total Costs for Furniture</b>	<b>34,430</b>	<b>34,430</b>	-
<b>(vii) Pre-Operation Expenses</b>			
(a) Project Documentation	5,000	5,000	-
(b) Commitments and Commission Fees	50,430	50,430	-
(c) Transport and Travelling	30,000	30,000	-
(d) Regulatory Requirements	15,000	15,000	-
(e) Promotion Expenses	25,000	25,000	-
	125,430	125,430	-
10% Contingency	12,543	12,543	-
<b>Total Pre-Operation Expenses</b>	<b>137,973</b>	<b>137,973</b>	-
<b>TOTAL INVESTMENT COST</b>	<b>2,493,951</b>	<b>1,626,711</b>	<b>867,240</b>

**DONGCHEN INVESTMENTS LIMITED**  
**WASTE PLASTIC RECYCLING PLANT PROJECT**

**PRODUCTION AND REVENUE ASSUMPTIONS**

**(i) Production Estimates**

Productionh per day:

PET Bottles crushed materials = 2 - 3 tons

PP/ PE crushed materials = 4 tons/24 hours.

**Annual Production Estimates for Raw Materials to be Crushed and income projections:**

<b>PARTICULARS/ YEARS</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
<b>Annual Production in Tons:</b>					
PET Bottles Materials	720	840	940	1,000	1,000
PP/ PE Other Plastic Materials	800	900	1,200	1,400	1,400
<b>Total Annual Production</b>	<b>1,520</b>	<b>1,740</b>	<b>2,140</b>	<b>2,400</b>	<b>2,400</b>
<b>Income Estimates in USD:</b>					
PET Bottles Materials selling at USD 940 per ton	676,800	789,600	883,600	940,000	940,000
PP/PE Other Plastic Materials selling at USD 1125 per ton	900,000	1,012,500	1,350,000	1,575,000	1,575,000
<b>Estimated Income</b>	<b>1,576,800</b>	<b>1,802,100</b>	<b>2,233,600</b>	<b>2,515,000</b>	<b>2,515,000</b>
2% Currency Fluctuations	31,536	36,042	44,672	50,300	50,300
<b>Esimated Annual income</b>	<b>1,545,264</b>	<b>1,766,058</b>	<b>2,188,928</b>	<b>2,464,700</b>	<b>2,464,700</b>

**Purchasing Costs for Raw Materials (Waste Plastics)**

PET Bottles and other Plastics (PE, HDPE etc) are bought at an average of USD 0.28 per kg

	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>
Quantities of Waste Plastics purchased (in tons)	1,748	1,914	2,461	2,760	2,760
<b>Purchases USD 0.28/kg</b>	<b>489,440</b>	<b>535,920</b>	<b>689,080</b>	<b>772,800</b>	<b>772,800</b>

## APPENDIX III

**DONGCHEN INVESTMENTS LIMITED**  
**WASTE PLASTIC RECYCLING PLANT PROJECT**  
**ECONOMIC AND TAX DEPRECIATION IN USD**

**Economic Depreciation**

<b>ITEM/ YEARS</b>	<b>Rate</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>
<b>Land and Buildings</b>						
Opening Balance		338,250	914,794	1,591,620	1,527,955	1,466,837
Additions		600,000	743,143	-	-	-
Depreciation	4%	23,456	66,317	63,665	61,118	58,673
<b>Net Book Value 31/12</b>		<b>914,794</b>	<b>1,591,620</b>	<b>1,527,955</b>	<b>1,466,837</b>	<b>1,408,164</b>
<b>Plant and Equipment</b>						
Opening Balance		129,000	112,875	208,276	182,242	159,461
Additions		-	125,155	-	-	-
Depreciation	12.50%	16,125	29,754	26,035	22,780	19,933
<b>Net Book Value 31/12</b>		<b>112,875</b>	<b>208,276</b>	<b>182,242</b>	<b>159,461</b>	<b>139,529</b>
<b>Vehicles</b>						
Opening Balance		58,000	43,500	128,625	96,469	72,352
Additions		-	128,000	-	-	-
Depreciation	25%	14,500	42,875	32,156	24,117	18,088
<b>Net Book Value 31/12</b>		<b>43,500</b>	<b>128,625</b>	<b>96,469</b>	<b>72,352</b>	<b>54,264</b>
<b>Furniture &amp; Fittings</b>						
Opening Balance		20,000	18,000	29,160	26,244	23,620
Additions		-	14,400	-	-	-
Depreciation	10%	2,000	3,240	2,916	2,624	2,362
<b>Net Book Value 31/12</b>		<b>18,000</b>	<b>29,160</b>	<b>26,244</b>	<b>23,620</b>	<b>21,258</b>
<b>Pre-Operation Expenses</b>						
Opening Balance		137,973	110,378	88,302	70,642	56,514
Depreciation	20%	27,595	22,076	17,660	14,128	11,303
<b>Net Book Value 31/12</b>		<b>110,378</b>	<b>88,302</b>	<b>70,642</b>	<b>56,514</b>	<b>45,211</b>
<b>Economic Depreciation</b>		<b>83,676</b>	<b>164,262</b>	<b>142,431</b>	<b>124,767</b>	<b>110,359</b>
<b>Accumulated Depreciation</b>		<b>83,676</b>	<b>247,938</b>	<b>390,369</b>	<b>515,137</b>	<b>625,496</b>
<b>TAX DEPRECIATION</b>						
<b>ITEM/ YEAR</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Land and Buildings	1,881,393	23,456	54,905	63,665	61,118	58,673
Plant and Equipment	254,155	16,125	29,754	26,035	22,780	19,933
Vehicles	186,000	14,500	42,875	32,156	24,117	18,088
Furniture & Fittings	34,400	2,000	3,240	2,916	2,624	2,362
<b>TOTAL</b>	<b>0</b>	<b>56,081</b>	<b>130,774</b>	<b>124,772</b>	<b>110,639</b>	<b>99,056</b>

APPENDIX IV

**DONGCHEN INVESTMENTS LIMITED  
WASTE PLASTIC RECYCLING PLANT PROJECT  
LOAN REPAYMENT AND INTEREST SCHEDULE IN USD**

<b>YEARS</b>	<b>OUTSTANDING</b>	<b>ITEREST</b> 7%	<b>PRINCIPAL</b> <b>REPAYMENT</b>	<b>TOTAL</b> <b>PAYMENT</b>	<b>BALANCE</b>
0	1,075,475.00				1,075,475.00
1	1,075,475.00	37,641.63	-	37,641.63	1,075,475.00
2	1,075,475.00	75,283.25	107,547.50	182,830.75	967,927.50
3	967,927.50	67,754.93	215,095.00	282,849.93	752,832.50
4	752,832.50	52,698.28	215,095.00	267,793.28	537,737.50
5	537,737.50	37,641.63	215,095.00	252,736.63	322,642.50
6	322,642.50	11,292.49	215,095.00	226,387.49	107,547.50
7	107,547.50	3,764.16	107,547.50	111,311.66	-
<b>TOTAL</b>	-	<b>286,076.35</b>	<b>1,075,475.00</b>	<b>1,361,551.35</b>	-

**APPENDIX V**

**DONGCHEN INVESTMENTS LIMITED**  
**WASTE PLASTIC RECYCLING PLANT PROJECT**  
**VARIABLE, FIXED AND SEMI-FIXED COSTS AND**  
**FINANCIAL EXPENSES SUMMARY IN USD**

<b>Particulars/ Years</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>
<b>Variable Costs:</b>					
Purchasing of Waste					
Plastics	489,440	535,920	689,080	772,800	772,800
Fuel and Lubricants	29,200	37,960	43,654	45,837	48,129
Repairs & maintenance	16,374	19,649	23,579	28,294	33,953
Direct Labour	132,600	139,230	146,192	153,501	161,176
Utilities	24,000	36,000	37,800	38,934	40,102
Packaging bags	7,800	8,970	9,419	10,360	10,568
Port Handling Charges	26,800	29,480	32,428	35,671	37,454
<b>Total Variable Costs</b>	<b>726,214</b>	<b>807,209</b>	<b>982,151</b>	<b>1,085,397</b>	<b>1,104,182</b>
<b>Fixed &amp; Semi-Fixed Costs</b>					
Indirect Labour Costs	109,200	112,476	113,400	114,000	115,200
10% NSSF	24,180	25,171	25,959	26,750	27,638
6% Skill Development Levy	14,508	15,103	15,575	16,050	16,583
Printing & Stationeries	800	800	800	800	800
Directors Allowances	24,000	24,000	24,000	24,000	24,000
Directors Expenses	24,000	24,000	24,000	24,000	24,000
Insurance	10,000	20,000	20,000	20,000	20,000
Accountancy & Audit Fees	2,000	2,000	2,000	2,000	2,000
Transport and Travelling Exp.	25,000	25,000	25,000	25,000	25,000
Membership to Professional Organisations	500	500	500	500	500
Communication Expenses	3,600	3,600	3,600	3,600	3,600
Legal Consultancy Fees	3,000	3,000	3,000	3,000	3,000
Board Meeting Expenses	30,000	30,000	30,000	30,000	30,000
Entertainment	10,000	10,000	10,000	10,000	10,000
Levies	3,000	3,000	3,000	3,000	3,000
Staff Welfare	10,000	10,000	10,000	10,000	10,000
Start-up Costs	137,973				
<b>Total Fixed &amp; Semi-Fixed Costs</b>	<b>431,761</b>	<b>308,650</b>	<b>310,834</b>	<b>312,700</b>	<b>315,321</b>
<b>Total Operating Expenses</b>	<b>1,157,975</b>	<b>1,115,859</b>	<b>1,292,985</b>	<b>1,398,097</b>	<b>1,419,503</b>
<b>Financial Expenses</b>					
Fund Sourcing Expenses 3%	17,345				
Bank Charges	2,400	2,800	3,400	3,500	4,200
Interest on Loan	37,642	75,283	67,755	52,698	37,642
Principal Repayment	-	107,548	215,095	215,095	215,095
Economic Depreciation Expenses	83,676	164,262	142,431	124,767	110,359
<b>Total Financial Expenses</b>	<b>141,063</b>	<b>349,893</b>	<b>428,681</b>	<b>396,061</b>	<b>367,296</b>

**APPENDIX VI**

**DONGCHEN INVESTMENTS LIMITED  
WASTE PLASTIC RECYCLING PLANT PROJECT  
SCHEDULE OF SALARIES, WAGES AND ALLOWANCES IN USD**

<b>Position</b>	<b>Number</b>	<b>Rate Per Month</b>	<b>Annual Total</b>	<b>Allowance Rate</b>	<b>Allowance</b>	<b>Total</b>
<b>Administration</b>						
Managing Director	1	2,000	24,000	25%	6,000	30,000
Directors	2	1,500	36,000	25%	9,000	45,000
Finance and Administration Manager	1	700	8,400	25%	2,100	10,500
Cashier	1	400	4,800	20%	960	5,760
Office Attendants	3	200	4,800	15%	720	5,520
Drivers	3	200	7,200	15%	1,080	8,280
Secretary	1	300	3,600	15%	540	4,140
<b>Sub-Total</b>	<b>12</b>		<b>88,800</b>		<b>20,400</b>	<b>109,200</b>
<b>Operations (Direct Labour)</b>						
Operations Manager	1	700	8,400	30%	2,520	10,920
Factory Supervisor	4	500	24,000	30%	7,200	31,200
Machine Operators	8	300	28,800	30%	8,640	37,440
Factory Attendants	10	200	24,000	30%	7,200	31,200
Maintenance Technicians	4	350	16,800	30%	5,040	21,840
<b>Sub-Total</b>	<b>27</b>		<b>102,000</b>		<b>30,600</b>	<b>132,600</b>
<b>TOTAL LABOUR</b>	<b>39</b>					
<b>TOTAL LABOUR COST INCLUDING ALLOWANCES</b>						<b>241,800</b>

## APPENDIX VII

**DONGCHEN INVESTMENTS LIMITED**  
**WASTE PLASTIC RECYCLING PLANT PROJECT**

**PROJECTED WORKING CAPITAL REQUIREMENTS IN USD**

Particulars/ Years	Y1	Y2	Y3	Y4	Y5
<b>Current Assets</b>					
Debtors 60% Three Months Sales	309053	353212	437786	492940	492940
<b>Total Current Assets</b>	<b>309053</b>	<b>353212</b>	<b>437786</b>	<b>492940</b>	<b>492940</b>
<b>Current Liabilities</b>					
One Month Salary Expenses	40,300	41,952	43,265	44,583	46,063
One Month Purchases	60,518	67,268	81,846	90,450	92,015
<b>Total Current Liabilities</b>	<b>100,818</b>	<b>109,220</b>	<b>125,111</b>	<b>135,033</b>	<b>138,078</b>
<b>Net Working Capital</b>	<b>208,235</b>	<b>243,992</b>	<b>312,675</b>	<b>357,907</b>	<b>354,862</b>
<b>Change in Working Capital</b>	<b>208,235</b>	<b>35,757</b>	<b>68,683</b>	<b>45,232</b>	<b>(3,045)</b>

## APPENDIX VIII

**DONGCHEN INVESTMENTS LIMITED**  
**WASTE PLASTIC RECYCLING PLANT PROJECT**

**PROJECTED STATEMENTS OF COMPREHENSIVE INCOME IN USD**

Particulars/ Years	Y1	Y2	Y3	Y4	Y5
<b>Sales</b>	<b>1,545,264</b>	<b>1,766,058</b>	<b>2,188,928</b>	<b>2,464,700</b>	<b>2,464,700</b>
Less: Variable Costs	726,214	807,209	982,151	1,085,397	1,104,182
<b>Contribution Margin</b>	<b>819,050</b>	<b>958,849</b>	<b>1,206,777</b>	<b>1,379,303</b>	<b>1,360,518</b>
Less: Fixed & Semi-Fixed Costs	431,761	308,650	310,834	312,700	315,321
<b>Operating Surplus</b>	<b>387,289</b>	<b>650,199</b>	<b>895,943</b>	<b>1,066,603</b>	<b>1,045,197</b>
<i>Less: Financial Charges:</i>					
Fund Sourcing	17,345				
Bank Charges	2,400	2,800	3,400	3,500	4,200
Interest on Loan	37,642	75,283	67,755	52,698	37,642
Principal Repayment	-	107,548	215,095	215,095	215,095
Economic Depreciation	83,676	164,262	142,431	124,767	110,359
<b>Total Financial Expenses</b>	<b>141,063</b>	<b>349,893</b>	<b>428,681</b>	<b>396,061</b>	<b>367,296</b>
<b>Profit before Tax</b>	<b>246,226</b>	<b>300,306</b>	<b>467,262</b>	<b>670,542</b>	<b>677,902</b>
Less: Tax Depreciation	56,081	130,774	124,772	110,639	99,056
Add Economic Depreciation	83,676	164,262	142,431	124,767	110,359
<b>Taxable income</b>	<b>279,111</b>	<b>333,794</b>	<b>484,922</b>	<b>684,670</b>	<b>689,204</b>
Corporate Tax 30%	83,733	100,138	145,477	205,401	206,761
<b>Net Profit After Tax</b>	<b>195,378</b>	<b>233,656</b>	<b>339,445</b>	<b>479,269</b>	<b>482,443</b>
Profit brought forward	-	195,378	429,034	768,479	1,247,748
<b>Retained Earnings</b>	<b>195,378</b>	<b>429,034</b>	<b>768,479</b>	<b>1,247,748</b>	<b>1,730,191</b>

## APPENDIX IX

**DONGCHEN INVESTMENTS LIMITED**  
**WASTE PLASTIC RECYCLING PLANT PROJECT**

**PROJECTED STATEMENTS OF CASH FLOWS IN USD**

<b>Particulars/ Years</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>
<b>CASH INFLOWS</b>					
Equity	813,356	813,355			
Term Loan	1,075,475				
Profit before Tax	246,226	300,306	467,262	670,542	677,902
Economic Depreciation	83,676	164,262	142,431	124,767	110,359
<b>TOTAL INFLOWS</b>	<b>2,218,733</b>	<b>1,277,923</b>	<b>609,694</b>	<b>795,310</b>	<b>788,261</b>
<b>OUTFLOWS</b>					
Investments	1,145,250	1,210,698	-	-	-
Change in Working Capital	208,235	35,757	68,683	45,232	(3,045)
Corporate Tax	83,733	100,138	145,477	205,401	206,761
<b>TOTAL OUTFLOWS</b>	<b>1,437,218</b>	<b>1,346,593</b>	<b>214,160</b>	<b>250,633</b>	<b>203,716</b>
<b>NET CASHFLOW/ (OUTFLOW)</b>	<b>781,515</b>	<b>(68,670)</b>	<b>395,534</b>	<b>544,676</b>	<b>584,544</b>
Opening Balance	-	781,515	712,845	1,108,379	1,653,056
<b>CLOSING BALANCE</b>	<b>781,515</b>	<b>712,845</b>	<b>1,108,379</b>	<b>1,653,056</b>	<b>2,237,600</b>

## APPENDIX X

**DONGCHEN INVESTMENTS LIMITED  
WASTE PLASTIC RECYCLING PLANT PROJECT**

**PROJECTED FINANCIAL POSITIONS AS AT 31ST DECEMBER.....**

(IN USD)

Particulars/ Years	Y1	Y2	Y3	Y4	Y5
<b>CAPITAL EMPLOYED</b>					
<b>Fixed Assets</b>					
Fixed Assets at Cost	1,145,250	2,355,948	2,355,948	2,355,948	2,355,948
Less: Accumulated Depreciation	83,676	247,938	390,369	515,137	625,496
<b>Net Fixed Assets</b>	<b>1,061,574</b>	<b>2,108,010</b>	<b>1,965,579</b>	<b>1,840,811</b>	<b>1,730,452</b>
<b>Current Assets</b>					
Debtors	309,053	353,212	437,786	492,940	492,940
Cash in Hand and Bank	781,515	712,845	1,108,379	1,653,056	2,237,600
Pre-paid Expenses	32,885	66,373	28,547	44,862	27,215
<b>Total Current Assets</b>	<b>1,123,453</b>	<b>1,132,430</b>	<b>1,574,712</b>	<b>2,190,858</b>	<b>2,757,755</b>
<b>TOTAL ASSETS</b>	<b>2,185,027</b>	<b>3,240,440</b>	<b>3,540,291</b>	<b>4,031,669</b>	<b>4,488,207</b>
<b>Current Liabilities</b>					
Creditors & Accruals	100,818	109,220	177,173	404,377	593,567
<b>Total Current Liabilities</b>	<b>100,818</b>	<b>109,220</b>	<b>177,173</b>	<b>404,377</b>	<b>593,567</b>
<b>Net Current Assets</b>	<b>1,022,635</b>	<b>1,023,210</b>	<b>1,397,539</b>	<b>1,786,481</b>	<b>2,164,188</b>
<b>NET WORTH</b>	<b>2,084,209</b>	<b>3,131,220</b>	<b>3,363,118</b>	<b>3,627,292</b>	<b>3,894,640</b>
<b>TO BE FINANCED BY:</b>					
Equity	813,356	1,626,711	1,626,711	1,626,711	1,626,711
Retained Earnings	195,378	429,034	768,479	1,247,748	1,730,191
	<b>1,008,734</b>	<b>2,055,745</b>	<b>2,395,190</b>	<b>2,874,459</b>	<b>3,356,902</b>
Term Loan	1,075,475	1,075,475	967,928	752,833	537,738
<b>TOTAL</b>	<b>2,084,209</b>	<b>3,131,220</b>	<b>3,363,118</b>	<b>3,627,292</b>	<b>3,894,640</b>

**APPENDIX A**

**PROJECT IMPLEMENTATION SCHEDULE**





**APPENDIX B**

**LEASE AGREEMENT FOR PLOT 41/1**

THE UNITED REPUBLIC OF TANZANIA  
THE LAND ACT, 1999  
(NO: 4 OF 1999)

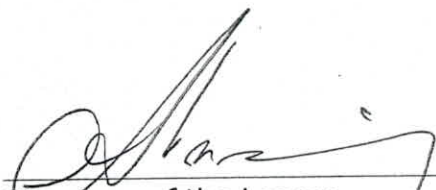
CONTRACT OF LEASE  
(UNDER SECTION 64)


**AHMED NAZIR HUSSEIN** of P. O. Box 21653, Dar es Salaam (Hereinafter called the lessor) of the one part hereby agree to lease the Right of Occupancy registered under the above reference to **NING XUEYI** of P. O. Box 31301, Dar es Salaam (Hereinafter called the Lessee) of the other part.

1. Description of the land  
**Plot No.: 41/1, NYERERE ROAD  
ILALA MAKABURUNI, DAR ES SALAAM**
2. Duration/Type of Lease  
**2 YEAR CONTRACT, RENT PAYABLE PER ANNUM IN ADVANCE**
3. Purpose of Lease  
**Commercial use only.**
4. Rent  
**\$2500.00/= (USD Two thousand Five Hundred Only) per month  
payable yearly in advance. (\$2500 X 12 Months = \$30,000)**
5. Date of execution of the lease  
**01<sup>st</sup> March, 2013.**
6. Date of delivery of possession of the demised land to the lessee  
**On execution.**
7. Covenants by the lessee:
  - a) To pay the rent reserved on the day and in the manner aforesaid.
  - b) To pay electricity and water bill on the demised premises each month regularly.
  - c) To permit the Lessor to all reasonable times to enter and examine the state of repair of the premises, and in case of rent default right of entry is given to the Lessor.
  - d) To abide by the regulations governing commercial premises, especially with regards to city regulation in respects of garbage and refuse.
  - e) Allowed to make alteration or addition to the demised premises with the Lessor's consent in writing upon mutual agreement.
  - f) Not to sub-lease part or whole of the premises.

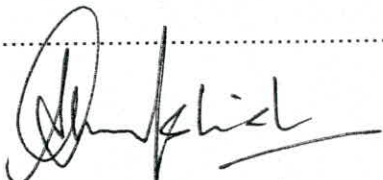
- g) Not to use or suffer the demised premises or any part thereof for any illegal or immoral purposes or for any hazardous material.
  - h) To pay 10% with holding tax, pay and obtain receipt from the income tax department and supply a copy of the said receipt to the Lessee, to be paid by the lessor
  - i) To yield up the demised premises in good condition at the expiration of the lease term hereby granted.
8. That the Lessee paying the reserved rents observing the stipulation herein on their part contained shall peacefully enjoy the demised premises without any interruption by the Lessor or any person claiming under or in trust for the Lessor.
9. Option to renew  
**By mutual arrangement on expiry of the lease term.**
10. Notice  
 Either party may give **Six months** notice of its intention to terminate the contract during the period of its subsistence.

Dated: 1<sup>st</sup> March, 2013  
 Place : Dar Es Salaam

  
 Signature of the Lessor  
**AHMED NAZIR HUSSEIN**

  
 Signature of the Lessee  
**NING XUEYI. C/O MOHAMED SAMMI RAFI**

**WITNESS:**  
 Name: Mohamed Sammy  
 Address: Box 20482, DSM.  
 Signature: .....





Stamp: .....

1/03/2013

**Exams Coating Machinery Factory**

Grabbing Haicheng Liaoning China

Tel: +864123841111 Email: Assjwh111@163.com 07.03.2013

To Whom it May Concern

RE: Financing Plastic Recycling Project

We are ready to finance Dongchen Investments Limited to meet its business endeavours in Tanzania

Sincerely

梁洋

DIRECTOR:



## TANZANIA



## Certificate of Incorporation

Section 15

No 97176

I HEREBY CERTIFY THAT

**DONGCHEN INVESTMENTS 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 14TH day of FEBRUARYTWO THOUSAND AND THIRTEEN

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

Asst. Registrar of Companies

**THE COMPANIES ACT, NO 12 OF 2002**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**DONGCHEN INVESTMENTS LIMITED**

**Incorporated this----- day of -----2013**

**Drawn by:  
Ning Xue Yi  
(Subscriber),  
P.O. Box 31301,  
DAR ES SALAAM.**

TANZANIA  
Stamp Duty Shs. 300/-  
PAID ON ORIGINAL  
Receipt No. 31/2013

Stamp Duty Officer

**THE COMPANIES ACT, NO. 12 OF 2002**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**DONGCHEN INVESTMENTS LIMITED**

TANZANIA  
Stamp Duty Shs. 300/-  
Receipt No. 31/2013

Asst. Registrar of Companies

1. The name of the Company is **DONGCHEN INVESTMENTS LIMITED**
2. The registered office of the company will be situated in the United Republic of Tanzania.
3. The objects for which the company is established are:-
  - (a) To carry on business of manufacturers recycling plastic wastes, dealers or suppliers of recycled plastic products, computers and other office equipments; importers and exporters, wholesalers, retailers, manufacturers representatives and commission agents;
  - (b) To carry on business as manufacturers, importers and exporters of, and dealers in goods, articles and things of all kinds and description in the manufacture of which timber or wood is used, and the business of contractors, carpenters, cabinet and furniture makers in all their respective branches and to deal in such articles and things in their raw unfinished, or manufactured state, and either by wholesale or retail;
  - (c) To carry on the business of manufacturers, importers and exporters of plywood, veneer, timber, forest product compositor and plastic, and to buy and sell by wholesale or retail, and generally to deal in all such materials;
  - (d) To construct, maintain, alter and improve or subscribe to the construction, maintenance and improvement of any buildings, factories, roads, ways, water works, canals, tramways, railways, quays, wharves, and works of all kinds relating to many business of the Company necessary or convenient for the purpose of the Company and to enter into such contracts and make such arrangements as may be necessary to carry out the same;
  - (e) To carry on the business of spare parts for different types of machines and instruments including motor vehicles, cars, trucks, lorries or other vehicles, agricultural implements, mining implements, and any other machinery, tool maker, metal workers, boiler makers and any other kind of machines whatsoever;
  - (f) To carry on the business of agents, consultants or representatives of foreign or local manufacturers, industries or other like organisations in any type of goods, products, commodities and services;

- (g) To carry on the business as exporters, traders, suppliers, general merchants, stockists, wholesalers, retailers, and dealers in business of agricultural products, stationeries, scrapers, agricultural machinery, implements, equipment and all kinds of industrial projects machinery;
- (f) To carry on the business of household, domestic appliance and electrical goods, audio visual goods, electronic items, building material, hardwares, foodstuff, agricultural products and merchandise of every nature, kind and description whatsoever as a dealer, wholesaler, retailer, distributor, importer, exporter and after sales service and repairing;
- (g) To purchase or otherwise acquire, explore, develop and work mineral rights, claims or mines, dig and quarry for gold, silver, platinum group metals, bulky industrial minerals, building materials, base metals and mineral concentrates, mineral ores, diamonds, gemstones and precious stones, oil, petroleum, natural gas, coal, earth, and other mineral substances and generally to carry on business of mining and dealers in minerals of whatever description;
- (h) To buy, sale, import and export or otherwise deal in gold, diamonds, precious stones, gemstones or any kind of precious minerals and to carry on research, surveys, inspections, gathering and recording information on the said substances and to establish mines, laboratories, factories, warehouses, shops and other premises for the mining processing, preparing for market, storage or otherwise dealing in gold, diamonds, precious stones and all sorts of the aforesaid substances of the soil;
- (i) To grow, cultivate, produce, manipulate, manufacture, render marketable, buy, sell, and deal in tea, coffee, sugar, cotton, grains, tobacco, nuts, timber, seeds and every other kind of produce of the soil and products of agriculture or husbandry, and to enter into arrangements with growers for the supply of the same;
- (j) To purchase, take on lease, or otherwise acquire, clear, lay out, plant, cultivate, irrigate, develop, build, erect, equip, maintain and work plantations, farms, forests, lands, factories, sawmills, timber works, refineries, mills, kilns, works, buildings, plant, machinery, railways, canals, wharves, roads, bridges, aqueducts and conveniences of every description;
- (k) To establish subsidiaries, amalgamate or unite or absorb into the Company any other company or association of business, or members of any other company or association wherever formed for objects similar, analogous, or subsidiary to any of the objects of the company, or carrying, and to form establish and bring out and assist in the formation or establishment of any such company or association, and to acquire, hold and seal in shares or interests therein;
- (l) To develop, improve and utilise any land acquired by the company, or in which the company is interested, and lay out and prepare the same for building

purposes, construct, alter, decorate, maintain, fit up and improve buildings, roads and conveniences, and to plant, pave, drain, maintain, let on building lease or building agreement any such land, and advance money to, and enter into contracts and arrangements of all kinds with builders or tenants of and other parties interested in any such land;

- (m) To carry on business of manufacturers, dealers or suppliers of Computer Hardware, Software, and other Office Equipments; and carriers, importers and exporters, wholesalers, retailers, manufacturers representatives and commission agents;
- (n) To undertake and carry on the business of Software installation, Web Designing, Graphics, Network Installation and Configurations including working on Radio Network and Telecommunications Networks;
- (o) To let on lease any such premises or parts of them and to provide services and facilities for the occupiers or tenants of those premises;
- (p) To undertake and carry on the business of an investment, lending and agency company and to carry out as principal or as trustee or agent for any person or company all or any of the objects hereby authorised;
- (q) To invest the capital and any other moneys of the Company in the purchase or upon the security of shares, stocks, debentures, debenture stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and wherever constituted or carrying on business, and shares, stocks, debentures, debenture stock, bonds, obligations and other securities issued or guaranteed by any Government, Sovereign Ruler, Commissioners, trust, local authority or other body of whatsoever nature and wheresoever situated;
- (r) To acquire any such shares, stocks, and others before mentioned by description, syndicate participation, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscriptions thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof and to act as managers of any syndicate;
- (s) To purchase, take on lease or exchange, hire or otherwise acquire any land and buildings in the United Republic of Tanzania or elsewhere and any state and any interest in and any rights connected with any such lands and buildings and also to acquire as aforesaid any concessions, machinery, patents, plant, stock-in-trade and any real and personal property, of any kind necessary or convenient for the Company's business;
- (t) To borrow and raise money in such manner as the company shall think fit and in particular by issue of debenture or debenture stock perpetual or otherwise for

the purposes of or in connection with the Company's business or any branch or department thereof;




- (u) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- (v) To issue and deposit any securities which the the Company has the power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company or in whose business or undertakings the Company is interested, whether directly or indirectly;
- (w) To receive money or deposit or loan upon such terms as the Company may approve;
- (x) To do all or any of the above things in any part of the world, and whether as principals, agents, trustees, contractors, or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise;
- (y) To amalgamate or enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint-venture, reciprocal concessions, or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company, and to take or otherwise acquire shares and securities of any such company, to sell, hold, re-issue, with or without guarantee or otherwise deal with the same;
- (z) To apply, promote and obtain any provisional order, Ordinance or Licence for enabling the Company to carry any of its objects into effect, or for effecting any modifications of the Company's constitution or for 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.

AND it is hereby declared that the word "company" in this clause shall, except when used with reference to the Company be deemed to include any incorporated body and any partnership or other body or persons, whether domiciled in the United Republic of Tanzania or elsewhere and the objects specified in each of the paragraph of the clause shall be regarded as independent objects, and accordingly shall be in no way limited by

reference to any other paragraph or by the name of the Company.

4. The liabilities of the Members is limited.
5. The Share Capital of the Company in Tanzanian Shillings is TShs 1,000,000,000 (One Billion) only divided into 100,000 (One Hundred Thousand) Ordinary Shares of each TShs 10,000 (Ten Thousands) only with power for the Company to reduce or increase the same and alter the value of the shares or to convert the same into stock and to issue shares at par or at a premium with preferential, deferred, qualified or special rights as the Company may determine

And it is hereby declared that the word "company" in the clause shall, except when used with reference to the Company be deemed to include any incorporated body and any partnership or other body of persons, whether domiciled in the United Republic of Tanzania or elsewhere, and the objects specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall be in no way limited by reference to any other paragraph or by the name of the Company.

Names, Address and Description of Subscribers	Number of Shares taken by each Subscriber	Seal and/ or Signature of Subscribers
MR. NING XUE YI P.O. BOX 31301 DAR ES SALAAM	20,000	
MR. WANG HU I P.O. BOX 31301 DAR ES SALAAM	20,000	
MR. ZHANG SHENG LI P.O. BOX 31301 DAR ES SALAAM	20,000	

Dated this 7 day of February 2013

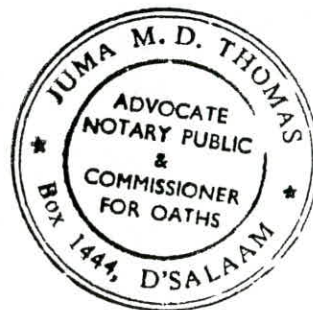
Witness to the above signatures:

Name: JUMA M.D. THOMAS

Signature: 

Address: P.O. BOX 1444 D'Salaam

Qualification: ADVOCATE



TANZANIA  
Stamp Duty Shs. 200/-  
PAID ON ORIGINAL  
Receipt No. 2779 of 80213  
Stamp Duty Officer

THE COMPANIES ACT NO. 12 OF 2002

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

DONGCHEN INVESTMENTS LIMITED

TANZANIA  
Stamp Duty Shs. 200/-  
PAID  
Receipt No. 2779 of 80213  
Asst. Registrar of Companies

1. In these Regulations:-

- “Act” means the Companies Act, No. 12 of 2002;
- “Article” means the articles of the company as now framed or as from time to time altered by Special Resolution;
- “Clear days” in relation to the period of a notice means that period excluding the day when the notice is given or on which it is to take effect;
- “Board” shall mean the Board of Directors of the Company or the Directors present at a duly convened meeting of the Directors at which a quorum is present;
- “Company” shall mean COMPANY NAME;
- “Secretary” means the secretary of the company or any person appointed to perform the duties of the secretary of the company;
- “Director” shall include an alternate director;
- “Holder” in relation to shares means the months whose name is entered in the registered of members as the holder of shares;
- “Seal” shall means the common seal of the company;
- “debenture” shall include debenture stock;
- “dividend” shall include bonu;
- “Member” shall mean a shareholder in the Company;

“month” shall mean a calendar month;

“paid up” shall mean paid up or credited as paid up;

“Shillings” and “TZS” shall mean Tanzania Shillings, the currency of the United Republic of Tanzania;

“Tanzania” shall mean the mainland part of the United Republic of Tanzania.

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

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

### **PRIVATE COMPANY**

2. The company is a private company and accordingly:-
  - (a) The number of members of the company is limited to 50 (fifty). Provided that where two or more persons hold one or more shares in the company jointly, they shall, for the purposes of this article, be treated as a single member;
  - (b) Any invitation to the public to subscribe for any shares or debentures of the company is prohibited;
  - (c) The company shall not have power to issue share warrants to bearer.
  - (d) The right to transfer shares is restricted in manner hereinafter prescribed.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

3. The share capital of the company is Tanzania Shillings One Billion (TZS 100,000,000/=) only divided into One Hundred Thousand (100,000) Ordinary Shares of Tanzania Shillings Ten Thousand (10,000) only each. Subject to the provisions of the act, and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the company may by ordinary resolution determine.
4. Subject to the provisions of Section 61 of the Act, any shares may, with the sanctions of any ordinary resolution, be issued on the terms that they are, or at the option of the

company are liable, to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

5. If at any time the share capital is divided into different classes of shares, the right attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
6. The rights conferred upon the holders of the shares of any class shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
7. The company (or the directors on behalf of the company) may exercise the powers of paying commissions conferred by Section 56 of the Act. Subject to the provisions of the Act, such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
8. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except or otherwise provided by the articles or by law) any other rights or interests in respect of any shares except an absolute right to the entirety thereof in the registered holder.

### SHARE CERTIFICATES

9. Every member, upon becoming the holder of any shares, shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing number (if any) of the shares to which it relates and the amount of respective amount paid thereon. In respect of a share of shares held jointly by several persons, the company

shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one joint holder shall be sufficient delivery to all joint holders.

10. If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of expenses reasonably

incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.

### **LIEN**

11. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The company's lien, if any, on a share shall extend to any amount payable in respect of it.
12. The company may sell, in such manner as the directors determine, any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after a notice in writing has been given to the holder of the share, or the person entitled thereto by reason of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
13. To give effect to any such sale the directors may authorise some person to transfer the shares sold to, or in accordance with the directions of the purchaser thereof, The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
14. The net proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares, at the date of the sale.

### **CALLS ON SHARES**

15. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and not by the conditions of allotment thereof made payable at fixed times,

provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least fourteen clear days notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part. A person upon whom a call is made shall

remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

16. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was made.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. If a call remains unpaid after it has become due and payable, the person from whom the sum is due shall pay interest on the amount unpaid from the day it became due and payable to the time of actual payment at the rate fixed by the term of allotment of the share or, if no rate is fixed, at a rate not exceeding five percent per annum as the directors may determine, but the directors may waive payment of such interest wholly or in part.
19. An amount payable in respect of a share on allotment or at any fixed date whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid the provisions of the articles shall apply as if that amount has become due and payable by virtue of a call.
20. Subject to the terms of allotment, the directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the time of payment.
21. The directors may, if they think fit, receive from a member willing to advance the same, all or any of the moneys un-called and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the company in general meeting shall otherwise direct) six percent per annum, as may be agreed upon between the directors and the members paying such sum in advance.

### **TRANSFER OF SHARES**

22. The instrument of transfer of any share shall be in writing in the usual form or in any other form which the directors may approve and shall be signed by or on behalf of the transferor and the transferee and the transferor shall be deemed to remain the holder of

the share until the name of the transferee is entered in the register of members in respect thereof.

23. If the directors refuse to register a transfer they shall within sixty days after the date on which the transfer was lodged with the company send to the transferee notice of the refusal. Any instrument of transfer which the directors refuse to register shall, on demand, be returned to the person depositing it with the company.
24. The registration of transfers of shares or any transfers of any class of shares may be suspended at such time and for such periods (not exceeding thirty days in any year) as the directors may determine.
25. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting title to any share. The directors may refuse to recognise any instrument of transfer unless such instrument is deposited at the registered offices of the company or such other place as the directors may appoint, accompanied by the certificate of the shares to which it relates and such other evidence as the directors may reasonably require.

### **TRANSMISSION OF SHARES**

26. In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the executor or administrator of the estate of the deceased where he was a sole holder or the only survivor of joint holders, shall be the only person recognised by the company as having any title to his interest in the shares, but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
27. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may properly be required by the directors and subject as hereinafter provided, either elect by notice to the company to be registered as holder of the share, or elect to have some person nominated by him registered as the transferee in which case he shall execute the appropriate instrument of transfer. All the articles relating to the right to transfer of shares shall apply to any such notice of transfer as if it were in an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
28. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall have the rights to which would be entitled if he were the registered holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

## FORFEITURE OF SHARES

29. If a call remains unpaid after it has become due and payable, the directors may give to the person from which it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may be accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
30. If the notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
31. Subject to the provision of this Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors may determine either to the person who was before the forfeiture the holder or to any other person, and at any time before a sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the directors shall think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the directors may authorise some person to execute an instrument of the transfer of the share in question.
32. A person any of whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the company for cancellation the certificate for the shares forfeited, but shall remain liable to the company for all moneys which, at the date of forfeiture, were payable by him to the company in respect of the shares, but his liability shall cease if and when the company shall have received payment in full of all such moneys in respect of the shares, but the directors may waive payment wholly or in part or enforce payment without any allowance for value of the shares at the time of forfeiture of any consideration received on their disposal.
33. A statutory declaration by a director or the secretary that a share has been forfeitede on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all person claiming to be entitled to the share, and the declaration shall (subject to the execution of an instrument of transfer if necessary) constiotute a good title to the share, and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

## ALTERATION OF CAPITAL

34. The company may by ordinary resolution:-
- (a) Increase its share capital by new shares of such amount, as the resolution prescribes: provided that the company may direct that new shares or any of them so increased shall be offered in the first instance, either at par or at a premium, to the existing members or to holders of any class of shares for the time being, in proportion to the number of shares or shares of the class or group held by them respectively, or make any other provision as to the issue of the new shares;
  - (b) Consolidate and divide all or any of its share capital into shares of large amount than its existing shares;
  - (c) Subject to the provisions of section 65(1) (d) of the Act, sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association;
  - (d) Cancel shares which, at the date of the passing of the resolution, have into been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
35. Whenever as a result of a consolidation of shares any members would become entitled to fraction of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including subject to the provisions of this Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
36. Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium accounting any way.

## GENERAL MEETINGS

37. 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 notices calling it, and not more than fifteen monthshall elapse between the date of one annual general meeting of the company and that of the next. A resolution in writing signed by or on behalf of all the members for the time being entitled to receive

notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the company duly convened and held, and may consist of two or more documents in like form each signed by or on behalf of one or more of the members. Likewise, a resolution of the members entitled to receive notice of the meeting of the members made by all the members in a teleconference or videoconference shall be as valid and effectual as if it had been passed at a meeting of all the members provided that such resolution shall thereafter be reduced to writing and signed by the chairman and the company secretary.

38. All general meetings other than annual general meetings shall be called extraordinary general meetings.

39. The directors may, whenever they think fit, call an extraordinary general meetings and extraordinary general meetings may also be convened by such requisitionists as provided by section 134 of the Act. If at any time there are not within the Tanzania sufficient directors to call the meeting any director or any two members of the

company may call the meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors. In the case of extraordinary general meeting called pursuant to a requisition other than a requisition by the directors, no business other than that stated in the requisition as the object of the meeting shall be transacted.

#### **NOTICE OF GENERAL MEETING**

40. Every general meeting shall be called by twenty-one clear days' notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business and, in the case of an annual general meeting, shall specify the meeting as such;

Provided that a meeting of the company may be called by shorter notice if it is so agreed:-

(a) In the case of an 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 holding not less than 95 percent in nominal value of the shares giving that right.

41. Subject to the provisions of the articles and to any restrictions imposed on any shares, 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 omissions to give notice of a meeting to, or the non-receipt of notice of

a meeting by any person entitled to receive notice shall not invalidate the proceedings at the meeting.

### PROCEEDINGS AT GENERAL MEETINGS

42. 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, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.
43. 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 authorised representative of a corporation shall be a quorum.
44. If within half an hour from the time appointed for the meeting a quorum is not present, or if during the course of a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other time and place as the directors may determine.
45. The chairman 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 number to be chairman of the meeting.
46. Any person entitled to be present and vote at a meeting may submit any resolution or amendment to the meeting, provided that he shall have, at least five and not more than fourteen clear days before the day appointed for the meeting, served upon the Company a notice in writing signed by him containing the proposed resolution or amendment and stating his intention to submit the same. Upon receipt of any such notice, the secretary shall include in the notice of the meeting in any case where the notice of intention is received before the notice of the meeting is issued, and shall in any other case issue as quickly as possible to the Members notice that such resolution or amendments will be proposed. Any resolution or amendment of which such notice has not been given shall be ruled out of order, and the ruling of the Chairman shall be conclusive.
47. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at a general meeting and at any separate meeting of the holders of any class of shares in the company.
48. The chairman may, (with the consent of any meeting at which the 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 been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, notice of an adjourned meeting shall be given as in the case of an original meeting 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.

49. 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) demanded.

(a) By the chairman or;

(b) by at least two members having the right to vote at the meeting; or

(c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(d) by a member or members holding shares conferring a right to vote at the

meeting being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

50. Unless a poll be 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, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be evidence of that effect.

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

52. Except as provided in Article 54, if a poll is duly demanded 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 demanded.

53. 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 casting vote in addition to any other vote he may have.

54. 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 but such time not being more than thirty days after the poll is

demanded as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

55. 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 may consist of several instruments in the like form each executed by or on behalf of one or more members.

### **VOTES OF MEMBERS**

56. Subject to any rights or restrictions attached to any share or class or classes of shares, on a show of hands every member present, shall have one vote for every share of which he is the holder
57. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the order in which the names stand in the register of members.
58. 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 manager, and any such manager may, on a poll, vote by proxy.
59. No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the company unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
60. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive .
61. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.
62. The instrument appointing proxy shall be in writing executed by or on behalf of the appointor or of his attorney duly authorized in writing, or, if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the company.
63. The instrument appointing a proxy and any authority under which it is executed a copy of that authority certified notarially or in such other manner as approved by the directors shall be deposited at the registered office of the company or at such other place within the Tanzania as is specified for that purpose in the notice

convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person 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 .

64. *An 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.....

.....or failing him, .....of .....

As 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 .....and at any adjournment thereof.

Signed this ..... day of .....200.....”

65. 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 circumstance 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/our behalf at the ( annual or extraordinary, as the case may be) general meeting of the company to be held on the ..... day of .....and at any adjournment thereof .

Signed this ..... day of ..... 200 ...”

This form is to be used in favour of/against resolution (1/2/3/ etc) . Unless otherwise instructed, the proxy will vote as he thinks fit or abstain from voting.

66. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

67. A vote given in accordance with the terms of an instrument of proxy, or poll demanded by proxy, or by the duly authorised representative of a corporation shall be valid notwithstanding that the previous determination was received by the company at its registered office ( or at such other places at which the instrument or proxy was duly deposited) before the commencement of the meeting or adjourned meeting at which the proxy is used .

## **CORPORATION ACTING BY REPRESENTATIVES AT MEETINGS**

68. 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 act as its representative at any meeting of the company or of any class of members of the company, and the person so authorised 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**

69. 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.
70. The shareholding qualification for directors may be fixed by the company in general meeting, and unless and until so fixed no qualification shall be required.

### **POWERS AND DUTIES OF DIRECTORS.**

71. Subject to the provisions of the Act, the memorandum and the articles and to any direction given special resolution, the business of the company shall be managed by the directors, who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction 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.
72. The directors may by power of attorney appoint any person to be the attorney or agent of the company for such purpose and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.
73. The directors may exercise all the power of the company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, 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 of any third party.
74. The company may exercise the powers conferred upon the company by sections 124 to 127 of the Act with regard to the keeping of a branch register, and the directors may (subject to the provisions of those sections) make and vary such articles as they may think fit respecting the keeping of any such register.

## DIRECTORS APPOINTMENTS AND INTERESTS

75. The directors may appoint one more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director, but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing and a director holding any other executive office shall not be subject to retirement by rotation.
76. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company shall declare the nature of his interest at a meeting of the directors in accordance with section 209 of the Act.
77. Subject to the provisions of the Act, provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-
- (a) may be a party to, or otherwise interested in, any transactions or arrangement with the company or in which the company is otherwise interest.
  - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in any body corporate promoted by the company or in which the company may be interested.
  - (c) Shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment remuneration or other benefits received by him as director or officer of, or from his interest in, such other company unless the company otherwise directs.
78. For the purposes of articles 76 and 77:-
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which as specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in such transaction of the nature and extent specified,; and .
  - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as interest of his.

79. 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 in such manner as the directors shall from time to time by resolution determine.

### **MINUTES**

80. The directors shall cause minutes to be made in books kept for the purpose:-
- (a) of all appointment of officers made by the directors;
  - (b) of the names of directors present at each meeting of the directors and of any committee of the directors;
  - (c) of all resolutions and proceedings at all meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors.

### **REMUNERATION AND EXPENSES: GRATUITIES AND PENSIONS**

81. The remuneration of the directors shall be determined by ordinary resolution of the company and , unless the resolution otherwise provides, such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelings, hotel and other expenses properly incurred by them in attending and returning form meetings of the directors or any mcommittee of the directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the business of the company . Any director who serves on any committee or who otherwise performs services which, in the opinion of the board, are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary , percentage of profit or otherwise as the board may determine which shall be charged as part of the company's ordinary working expenses.
82. The directors on behalf of the company may pay a gratuity or pension or allowance on retirement to any director who had held any other salaries office or place of profit with the company or to his widow or dependants and may make contribution to any fund and pay premiums for the purchase of provision of any such gratuity, pension or allowance.

### **DISQUALIFICATION AND REMOVAL OF DIRECTORS .**

83. The office of director shall be vacated if the director:-
- (a) ceases to be a director by virtue of any provision of the Act or he becomes

prohibited by law from being a director, or

- (b). becomes bankrupt or makes any arrangement or composition with his creditors Generally; or.
- (b) becomes of unsound mind; or
- (c) resigns his office by notice in writing to the company, or
- (d) Shall for more than six consecutive months have been absent without permission of the directors from meeting of the directors held during that period and the directors resolve that his office be vacated.

### **APPOINTMENT AND RETIREMENT OF DIRECTOR .**

- 84. The company may by ordinary resolution appoint a person who is willing to act to be director either to fill a vacancy or to be an additional director.
- 85. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the total number of directors does not exceed the number fixed by or in accordance with these articles. A director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.
- 86. The company may by ordinary resolution, of which special notice has been given in accordance with section 144 of the Act, remove any director before the expiration of his period of office notwithstanding anything in these articles or in any agreement between the company and the director. Such removal shall be without prejudice to any claim the director may have for damages for breach of any service contract with the company.
- 87. The company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding regulation, and without prejudice to the power of the directors under article 86 the company may by ordinary resolution appoint any person to be a director either to fill vacancy or as an additional director.

### **PROCEEDINGS OF DIRECTORS.**

- 88. 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 is absent from the Tanzania.

89. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be two.
90. The continuing directors may act notwithstanding any vacancy in their number, but, if their number is reduced below the number fixed as the necessary quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
91. The directors may appoint one of their number 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 as which he is present. But if no such chairman is appointed, or if 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, directors present may choose one of their number to be chairman of the meeting.
92. The directors may delegate any of their powers to any committee consisting of one or more directors, any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors. Subject 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.
93. All acts done by a meeting of the directors or of a committee of directors or by 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 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.
94. A resolution in writing, signed by all the directors entitled to receive notice of a meeting of 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 form each signed by one or more directors.
95. Save as otherwise provided in the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interest of the company. Subject to and in accordance with the provisions of the Act, an interest of a person who is connected with a director shall be treated as an interest of the director.

96. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
97. The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or a committee of directors.
98. Where proposals are under consideration concerning the appointment of two or more directors to offices or employment with the company or any body corporate in which the company is interested, the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except than concerning his own appointment
99. If a question arises at a meeting of directors or a committee of directors to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

#### **SECRETARY**

100. The secretary shall be appointed by 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.
101. A provision of the Act or these articles requiring or authorising 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 .**

102. The seal shall only be used by the authority of the directors or of a committee of the directors authorised 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.

#### **DIVIDENDS AND RESERVE**

103. Subject to section 180 of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.

- 104 Subject to the provisions of the Act, the directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company available for distribution.
105. The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for any purposes to which the profit of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments, (other than shares of the company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward and any profits which they may think prudent not to divide.
106. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid. All dividend shall be apportioned and paid proportionately to the amounts paid on the shares during and portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend at a particular date, that share shall rank for dividend accordingly.
- 107 Any general meeting declaring a dividend may, upon the recommendation of the directors, direct payment of such dividend wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same, and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of members, and may vest any assets in trustees.
- 108 Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque sent through the post to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the registered of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque shall be a good discharge to the company. Any one or two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by them as joint holders.
- 109 No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
- 110 Any dividends which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and ceases to remain owing by the company.

## ACCOUNTS.

- 111 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 respects of which the receipt and expenditure takes place,
  - (b) all sales and purchases of goods by the company, and
  - (c) the assets and liabilities of the company

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

- 112 The books of account shall be kept at the registered office of the company , or, subject to section to section 151 (4) of the Act, at such other place or places as the directors thin fit, and shall always be open to the inspection of the directors.

- 113 No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company .

- 114 The directors shall, in accordance with section 153, 155 and 159 of the Act, cause to be prepared and to be laid before the company in general meeting such profit and loss

accounts, balance sheets, cash flow statements , group accounts (if any) and reports as are referred to in those sections.

- 115 In accordance with sections 163 of the Act, the copy of the company's annual accounts to laid before the company in general meeting together with a copy of the directors report and the auditors report 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 more than one of the joint holders of any shares or debentures.

## CAPITALISATION OF PROFITS

- 116 The directors may, with the authority of an ordinary resolution of the company:-
- (a) Resolve to capitalise any part of the amount for time being standing to the credit or any of the company's reserve account or to the credit of the profit and loss account or otherwise available for distribution, and that

such sum be capitalised to the members who would have been entitled to it were distributed by way of dividend and in the same proportions and apply such sum either in or towards, paying up any amounts for the time being unpaid on any shares held by such members respectively or in paying up in full in issued shares or debentures of the company to be allotted and distributed,

- (b) Make such provision for the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they are entitled upon such capitalisation, and any agreement made under such authority shall be effective and binding on all such members.

### **AUDIT**

- 117 Auditors shall be appointed and their duties regulated in accordance with sections 170 to 179 of the Act.

### **NOTICES**

- 118 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 prepaid envelope addressed to the member at his registered address, or by leaving it at the address. Where a notice is sent by 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 Tanzania and who gives to the company an address within Tanzania at which notices may be given him shall be entitled to receive any notice from the company.
- 119 A notice may be given to the company by the joint holders of share by giving the

notice to the joint holder first named in the register of member in respect of the share

- 120 A notice may be given by the company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorized by the article, addressed to them by name, or by the title of representative of the deceased, or trustee of the bankruptcy or by any like designation, at the address, if any, within the Tanzania supplied for the purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given in the death or bankruptcy had not occurred.
121. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received purpose for which it was called.




#### **WINDING UP**

- 122 If the company is wound up the liquidator may, with sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie the whole or any part of the assets of the company and may, for that purpose, set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members of different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall determine, but no member shall be compelled to accept any shares or other securities upon which is a liability.

#### **INDEMNITY**

123. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in connection with any application under section 481 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation of the affairs of the company.

application under section 481 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation of the affairs of the company.

Names, Address and Description of Subscribers	Number of Shares taken by each Subscriber	Seal and/ or Signature of Subscribers
MR. NING XUE YI P.O. BOX 31301 DAR ES SALAAM	20,000	
MR. WANG HUI P.O. BOX 31301 DAR ES SALAAM	20,000	
MR. ZHANG SHENG LI P.O. BOX 31301 DAR ES SALAAM	20,000	

Dated this 7 day of February, 2013

Witness to the above signatures:

Name: JUMA M.D. THOMAS

Signature: 

Address: P.O. Box 1444 DSm

Qualification: ADVOCATE

