

**THE COMPANIES ORDINANCE  
(CAP. 212)**

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**COMPANY LIMITED BY SHARES**

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**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**KIBAHA HOLDINGS LIMITED**

\*\*\*\*\*

Incorporated the ----- day of ----- 2005

**DRAWN BY:**

RUTABINGWA & CO.  
ADVOCATES  
P.O. BOX 11819  
DAR ES SALAAM.

TANZANIA

Stamp Duty Shs. 5000/-

PAID ON ORIGINAL

Receipt No. 240998 of 20/12/20

Retained

Stamp Duty Officer

1.

2.

3.

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

KIBAHA HOLDINGS LIMITED

The name of the Company is "KIBAHA HOLDINGS LIMITED"

The Registered office of the Company will be situated in the United Republic of Tanzania.

The objects for which the company is established are:-

- (a) To engage into the activities of promoting education in Tanzania by establishing and running schools and other educational centres of all types.
- (b) To open up nursery, primary and secondary schools in any part of the country that may be found suitable.
- (c) To establish technical schools, teachers training centres and other institutes of higher education as the case may be.
- (d) To construct boarding centres and hostels for students of all categories and/or operate such centres on lease.
- (e) To operate research centres, scientific, cultural and social or of any other types
- (f) To open up and run recreational centres for sports and other social activities.
- (g) To construct and run conference centres of different categories with all types of facilities including shops, communication centres, accommodation, secretarial services and transport services.
- (h) To carry on the business of farming for small and large scale for food and cash crops.

TANZANIA

Stamp Duty Shs. 240998/-

PAID

Receipt No. 240998 of 20/12/20

Retained

Asstt. Registrar of Companies

- (i) To carry on the business of printing of all types and acquire necessary equipment for that purpose.
- (j) To open up bookshops and stationery selling centres and all types of communication equipment.
- (k) To organise seminars, workshops and other educational courses for the purpose of improving the educational standards of teachers either alone or with assistance of foreign institutions .
- (l) To acquire land in any part of the country that may be found suitable for the purpose of constructing buildings for the intended schools, other educational centres and places of recreation including sports facilities.
- (m) To assist the government and local authorities in the promotion of educational, health and sanitation activities in the country.
- (n) To borrow money from banks, financial institutions, individuals, companies within and outside Tanzania for the purpose of carrying out the activities of the company.
- (o) To guarantee and/or pledge the company's assets for and by way of debenture, debenture stock, mortgages, charges and enter into partnership or any joint venture arrangement with any person, company or firm.
- (p) To draw, accept, endorse, negotiate and discount bills of exchange, promissory notes and other negotiable instruments
- (q) To invest the money of the company not immediately required in such manner other than in the shares of the company as may from time to time be determined
- (r) To provide for the welfare of persons in the employment of the company or its predecessors in business and the wives, husbands, widows and families of such persons by grants of money, pensions or

other payments and subscribing towards places of recreation, medical and other attendance as the company shall think fit.

- (s) To distribute any of the property of the company among members in specie and either by way of dividends or upon any return of capital and to pay all costs and expenses incidental to the formation and registration of the company.
- (t) To carry on any other business which may seem to the company capable of being carried out in connection with any of the business of the company either alone or in conjunction with other companies, firms and individuals.

And it is hereby declared that the word « company » except where used in reference to the company shall be deemed to include any partnership, or other body of persons whether incorporated and whether not existing or hereinafter to be formed.

It is further expressly declared that the intention is that the objects set forth in each of the foregoing paragraphs of this clause shall be construed in the most liberal way and shall in no way be limited or restricted by reference to any other paragraph or by any inference drawn from the terms of any other paragraph.

4. The Liability of the members is limited ;
5. The authorised share capital of the Company at the date of registration of this Memorandum of Association is Tanzania Shillings Fifteen Million only (Shs. 15,000,000/=) divided into Three Thousand (3,000) ordinary shares of Tanzania Shillings Five Thousand (T.Shs. 5,000/=) each, with power for the Company to increase or reduce such capital and to issue any part of its capital, original or increased, with or without any preference, any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue of shares, whether declared to be preference or otherwise, shall be subject to the power herein before contained.

We, the Several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a company in persuance of this Memorandum of

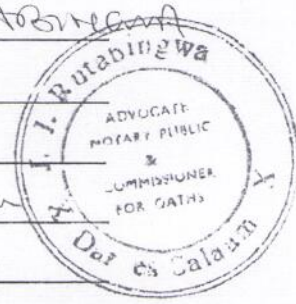
Association, and we respectively agree to take the number of shares in the capital of the company opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURES
1. HUMPHREY MWANIKI NGIBUINI P. O. BOX 3006 NAIROBI	900	<i>[Handwritten Signature]</i>
2. GRACE MUKAMI MWANIKI P. O. BOX 3006 NAIROBI	570	<i>[Handwritten Signature]</i>
3. GODLISTEN ABEL MINJA P. O. BOX 79989 DAR ES SALAAM	930	<i>[Handwritten Signature]</i>
4. RUTH DAVISON P. O. BOX 79989 DAR ES SALAAM	600	<i>[Handwritten Signature]</i>

Dated at Dar es Salaam this 12<sup>th</sup> Day of July, 2005

Witness to the above signatures :

Name : JOSEPH I Rutabingwa  
 Signature : *[Handwritten Signature]*  
 Postal Address : P.O. Box 11819  
Dares Salaam  
 Qualification Advocate



TANZANIA  
Stamp Duty Shs. 500/=  
PAID ON ORIGINAL  
Receipt No. 240999868 20/1/20  
Stamp Duty Officer

THE COMPANIES ORDINANCE,  
(CAP 212)  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
KIBAHA HOLDINGS LIMITED

TANZANIA  
Stamp Duty Shs. 250/=  
Receipt No. 240999868 20/1/20  
Asstt Registrar of Companies

PRELIMINARY

1. In these Articles:

- "the Ordinance" means the Companies Ordinance (Cap. 212)  
"the seal" means the Common Seal of the Company  
"the Secretary" means any person appointed to perform the duties of the Secretary of the Company

Expression referring to writing shall, unless the contrary intention appears, be construed as including reference to printing, lithograph and other modes of representing words in a visible form.

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

2. The regulation contained in Tables A of the First Schedule to the Ordinance shall apply to the Company save in so far as they are varied or excluded hereby.

**PRIVATE COMPANY**

3. The Company is a private company and accordingly:-
- (a) The right to transfer shares is restricted in manner hereinafter prescribed.
- (b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in employment of the Company while in such employment and have continued after the determination of such employment to be

members of the Company) is limited to fifty (50) PROVIDED THAT where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Articles be treated as a single member.

- (c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.
- (d) The Company shall not have power to issue share, warrants to bearer

#### SHARE CAPITAL AND VARIATION OF RIGHTS

4. The share capital of the Company is Fifteen Million (Shs. 15,000,000) divided into Three Thousand (3,000) ordinary shares of Tanzania Shillings Five Thousand (Tsh. 5,000/=) each.
5. The share of company shall be under the control of the Board of Directors and shall be subject to the provisions in that behalf of the ordinance and the memorandum of association and, without prejudice to any special rights previously conferred on the holders of existing shares of class of shares may be issued with preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting return of capital or otherwise, as the company may from time to time by special resolution determine, and any preference share may with the sanction of a special resolution, be issued on the terms that is, or at the option of the company is liable to be redeemed.
6. If at any time share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may 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 an extra-ordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provision of these regulations relating to general meeting shall mutatis mutandis apply.
7. Every person whose name is entered as a member in the register of members shall without payment, be entitled to a certificate under the seal of the Company specifying the share or shares held by him or such body and

the amount paid up thereon provided that in respect of a share or 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 of several joint holders shall be sufficient to all.

8. The Company shall be entitled to treat the person whose name appears upon the Register in respect of any share or shares as the absolute owner thereof and shall not be under any obligation to recognise any trust or equitable claim to or partial interest in such share or shares whether or not it shall have express or other notice thereof.
9. If a share certificate is defaced, lost or destroyed it may be renewed on payment of such fee, if any exceeding ten shillings, and as such terms, if any, as to evidence and indemnify as the Directors think fit.
10.
  - (i) The Company shall have a first and paramount lien on every share for (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares standing registered in the name of any person for all monies presently payable by him or his estate to the Company, but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
  - (ii) The lien hereby conferred shall be attached to all shares registered in the name of any person indebted or under liability to the Company, whether he be the sole registered holder or be one of several joint holders.
  - (iii) The Company's lien, if any, on a share shall extend to all dividends payable thereon.
11. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, not until the expiration of twenty-eight days after a notice in writing, stating and amending payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the shares.

12. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to 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 an irregularity or invalidity in the proceedings in reference to the sale.
13. The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exist as is presently payable and the residue shall be held (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) by the Company on behalf of the person entitled to the shares at the date of the sale.

#### CALLS ON SHARES

14. The Director may from time to time make calls upon the member in respect of any moneys unpaid on its shares provided that no call shall exceed one-fourth of the nominal amount of the shares, or be payable at less than one month from the last call: and the member shall (subject to receiving at least fourteen days' notice specifying the time of payment) pay to the Company at the time or times so specified, the amount called in his shares. A call may be revoked or postponed as the Directors may determine. If at any time there shall be joint holders of a share, such joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
15. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the member shall pay interest upon the sum at the rate of eight per cent per annum from the day appointed for the payment thereof to the date of the actual payment, but the Director shall be at liberty to waive payment of that interest wholly or in part.
16. The provision of these regulations as to payment of interest shall apply in the case of non-payment of any sum which by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

17. The Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and at the time of payment.
18. The Directors may, if they think fit, receive from the member willing to advance the same all or any part of the moneys so advanced (until like same would, but for such advance become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in general meeting, six per cent), as may be agreed upon between the member paying the sum in advance and the Director.

#### TRANSFER AND TRANSMISSION OF SHARES

19. Subject to the provisions hereinafter contained shares in the Company shall be transferable by written instrument in the common form hereunder provided signed by both 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.

"I, A, B ..... of ..... in consideration of the sum of Shs. .... paid to me by C. D. of ..... (herein after called the said Transferee") do hereby transfer to the said transferee the share (or shares) numbered ..... in the undertaking called **KIBAHA HOLDINGS LIMITED** to hold unto the said transferee, subject to the several condition on which I hold the same, and I the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid. As witness our hands the ..... day of ..... 200...

Witness to the Signature of etc.

20. Save as is hereinafter provided, the Directors may in their absolute discretion decline to register any transfer of shares to a person whom they do not approve not being already a member of the Company and may also decline to register any transfer of shares on, which the company has a lien. The Directors may also suspend the registration of transfers during the period of fourteen days immediately proceeding the Annual General Meeting in each year.

21. The Directors may also decline to recognise any of transfer unless:-
- (a) A fee not exceeding one hundred shillings is paid to the Company in respect thereof.
  - (b) The instrument of transfer is accompanied by the certificate of the shares to which Directors may reasonably require to the right of the transfer, to make the transfer and
  - (c) The instrument of transfer is in respect of only one class of shares
22. If the Directors register a transfer of any shares, they shall within two months after the date of which the transfer was lodged with the Company send to the transferee notice of the refusal.
23. Share in the Company shall be transferred to a person who is not a member of the company in the following manner:-
- (a) Except where transfer is pursuant to sub-article (g) hereof, the person proposing to transfer any share (hereinafter called a "proposing transfer") shall give notice in writing (hereinafter called a "transfer notice") to the Company that he desires to transfer the same. Such notice shall specify the sum he fixes as the fair value, and shall constitute the Company his agent for the sale of the share to any member of the Company willing to purchase the share (hereinafter called "the purchasing member") at price so fixed, or at the option of the purchasing member at the fair value to be fixed by the Auditor in accordance with sub-article (e) hereof. A transfer notice shall not be revocable except with the sanction of the Board. The Transfer notice shall constitute an offer for sale of the number of shares specified therein and the said offer shall be open for acceptance in toto by the purchasing number of members and not in respect of only some of the shares stated in the transfer notice.
  - (b) The Board shall forthwith give notice to all the other members of the Company of the number of the shares to be sold and the fair value fixed by the proposing transferor and invite each of them to state in writing within fourteen days from the date of the said notice where he is willing to purchase any, and if so, what maximum number of the said shares.

- (c) At the expiration of the said fourteen days the Board shall allocate the said shares to or amongst the member or members who shall have expressed his or their willingness to purchase as aforesaid and (if more than one) so far as may be necessary pro-rata according to the number of shares already held by them respectively (PROVIDED THAT) no member shall be obliged to take more than the said maximum number of shares so notified by him as aforesaid.
- (d) If the Company shall, within the space of twenty-eight days after being served with a transfer notice find a purchasing member and shall give notice thereof to the proposing transferor, he shall be bound upon payment of the fair value as fixed in accordance with sub-article (2) or (6) hereof, to transfer the share to the purchasing member.
- (e) In case any difference arises between the proposing transferor and the purchasing member as to the fair value of a share, the Auditor for the time being or the Company shall on the application of either party certify in writing the sum which in his opinion, is the fair value, and such sum shall be deemed to be the fair value and in so certifying the Auditor shall be considered to be acting as an expert, and not as an arbitration, and accordingly the Arbitration Ordinance, shall not apply.
- (f) If in any case the proposing transferor, after having become bound as aforesaid, makes default in transferring the share, the Company may receive the purchase money, and the proposing transferor shall be deemed to have appointed any one Director or the secretary as his agent to execute a transfer of the share to the purchasing member and upon the execution of such transfer the Company shall hold the purchase in trust for the proposing transferor. The receipt of the company of that purchase money shall be a good discharge to the purchasing member, and after his name has been entered in the Register in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.
- (g) If the Company shall not, within the space of twenty-eight days after being served with a transfer notice, find a purchasing member and give notice in manner aforesaid, the proposing transferor shall at any time within three

months after the expiration of the said twenty-eight days be at liberty, subject to Articles 20 hereof, to sell and transfer the share (or where there are more shares than one those offered) to any person whether he is a member of the Company or not.

#### FORFEITURE OF SHARES

24. If member fails to pay any call or installment of a call on the day appointed for payment thereof, the Directors may at any time thereafter during such time as any party of such call of installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid together with an interest which may have accrued.
25. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which call is made will be liable to be forfeited.
26. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect, and such forfeiture shall extend to any dividend in respect of any share so forfeited not actually paid at the date of the said notice.
27. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
28. The member whose shares have been forfeited shall cease to be a member in respect of the forfeited share but shall, notwithstanding remain liable to pay to the Company all moneys which, at the date of forfeiture were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receives payment in full of the nominal amount of the shares.

29. A statutory declaration in writing that the declaring is a Director of the Company, and that a share in the Company has been duly forfeited or expropriated on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed if and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or expropriation, sale or disposal of the share.
30. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of the amount of the shares, or by way of premium as if the same had been payable by virtue of a call duly made and notified.

#### CONVERSION OF SHARES INTO STOCK

31. The Company may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.
32. The holders of stock may transfer the same or any part thereof in the same manner and subject to the regulations as and subject to which the shares from which the stock arose previously, or as near thereto as circumstances admit, but the minimum shall not exceed the nominal amount of the share from which the stock arose.
33. The holders of stock shall according to the amount of the stock held by them, have the right, privileges and advantages as regards dividends, opting at meetings of the Company and other matters as if they held the share from which the stock arose, but no such privilege or advantage (except participated in the dividends and profit of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege.

34. Such of the regulations of the Company are applicable to paid-up share shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stock holder".

#### ALTERATION OF CAPITAL

35. The Company may from time to time by special resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
36. Subject to any direction to the contrary that may be given the resolution sanctioning the increase of share capital all new shares shall, before issue be offered to such persons as at the date of the offer are entitled to receive notice from the Company general meetings in proportion as nearly as the circumstances admit, to the amount of the existing share to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the share offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ration which the new shares bear to shares held by persons entitled to an offer of new share) cannot, in the opinion of the directors be conveniently offered under this article.
37. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the share in the original share capital.
38. The Company may by ordinary resolution
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (b) Sub-divide its existing shares, or any of them into shares of smaller amount than its fixed by the memorandum of association, subject, nevertheless, to the provisions of section 51 (l)(d) of the ordinance and

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- (b) Sub-divide its existing shares, or any of them into shares of smaller amount than its fixed by the memorandum of association, subject, nevertheless, to the provisions of section 51 (l)(d) of the ordinance and

- (c) Cancel any shares which, at the date of the passing of the resolution have not been taken by person.
- 39. The Company may, by special resolution reduce its share capital in any manner and with, and subject to, any incident authorised, and consent required, by law.

#### **GENERAL MEETINGS**

- 40. A General meeting shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be determined by the Directors. In default thereof any member may call upon members or cause a general meeting to be held in the same manner as nearly as possible as that convened by the Directors, and shall be called Annual General Meeting.
- 41. All general meetings other than the Annual General Meeting shall be called extraordinary general meetings.
- 42. The Directors may, whenever they think fit, convene an extra ordinary general meeting and extraordinary general meeting shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by Section 114 of the ordinance.

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

- 43. Subject to the provisions of section 117 (2) of the Ordinance relating to special resolution, twenty one days notice of the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hours of meeting and, in case of special business, the general nature of that business shall be given in manner hereinafter mentioned, or in such other manner, if any as may be prescribed by the Company in general meeting, to such persons as are, under the regulations of the Company entitled to receive such notice from the Company, but with the consent of all the members entitled to receive notice of some particular meeting, that meeting may be convened by such shorter notice and in such manner as those members may think fit.

44. The accidental omission to give notice of a meeting to or the non-receipt of notice of meeting by any member shall not invalidate the proceedings at any meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

45. All business shall be deemed special, that is transacted at an extraordinary meeting, and also all business that is transacted at the Annual General Meeting, with the exception of sanctioning a dividend, the consideration of the accounts, balance sheets and the ordinary report of the Directors and Auditors, the election of Directors and other officers in place of those retiring by rotation, and the appointment and fixing of the remuneration of the Auditors.
46. 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 save as herein otherwise provided two members present in person or by proxy shall be a quorum.
47. If within half an hour from the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved; in any other it shall stand adjourned to the same day in the next week, at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.
48. The Chairman, if any, of the Board of Directors shall preside as Chairman at every general meeting of the Company.
49. If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting the remaining Director (or alternate directors as the case may be) shall choose one of their number to be Chairman of the meeting.
50. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at

any adjourned meeting other than the business unfinished at the meeting from which adjournment took place. When a meeting is adjourned for ten day or more notice of the 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.

51. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hand and voting shall be by shares, that is one share one vote and a resolution shall be carried out by a simple majority and declaration by the Chairman that a resolution had been carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact.
52. An ordinary resolution of the Company determined without any general meeting and evidenced by writing under the hands of all the Directors or sole Director and of members of the Company holding in the aggregate three-fourths of the issued shares of the Company shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the Company.
53. A member may vote in person, by proxy or by an authorised representative and shall have one vote for each of which he is the holder.
54. If at any time there shall be joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to exclusion of the other holders, and for the purpose, seniority shall be determined by the order in which the name stand in the register of members.
55. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hand or on a poll, by his committee, curator bonis, or other person in the nature of a committee, or curator bonis, appointed by the court and any such committee curator bonis or other person may, on a poll, vote by proxy.
56. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.



62. The remuneration of the Director shall from time to time be determined by Company in General Meeting.
63. In addition to their usual remuneration the Directors shall also be paid such traveling, hotel and other expenses as may reasonable be incurred by them in the execution of their duties, including any such expenses incurred in connection with their attendance at meeting of Directors.
64. (a) Any Director may appoint another director or any person who is approved by the Directors, to be his alternate, to act in his place at any meetings of the Directors at which he is unable to be present. Such appointee shall be entitled, in the absence of his appointor, to exercise all the rights and powers of a Director and to attend and vote at meeting of the Director at which his appointor is not personally present and where he is a Director, in addition to his own vote. A Director may, at any time revoke appointment of an Alternate appointed by him. The appointment of an alternate shall be revoked, ipso facto, if his appointor ceases for any reasons to be a Director. Every appointment and revocation under this article shall be effected by notice in hand of the appointor served on the Company and on such Alternate Director.
- (a) The remuneration of an alternate Director shall be payable out of the remuneration of his appointor and shall be such proportion thereof as shall be agreed between them.
- (b) An Alternate Director whose appointor is a member of the Company shall, in the absence of a direction to the contrary in the instrument appointing him, be entitled to receive notice of and to vote at General Meetings of the Company as if he had been appointed a proxy of his appointor under the provisions of these articles.
- (c) The Directors, by resolution, or when there is only one Director in addition to an absent Director who has appointed an Alternate, may, by writing under his hand, remove an Alternate Director from office and copy of such resolution or of such writing, as the case may be, shall be served forthwith upon such alternate Director and upon his appointor who may

then appoint another alternate director in terms of sub-clause (a) of this article.

#### **BORROWING POWERS**

65. The Directors may exercise all the powers 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.

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

66. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in getting up and registering the Company, and may exercise all such powers of the Company as are not by the ordinance, or by these articles, required to be exercised by the Company in general meeting, subject nevertheless, to the provision being not inconsistent with the aforesaid regulations of provisions, as may be prescribed by the Company from time to time in general meetings, but no regulation made by the company in general meeting shall invalidate any prior act of the Director which would have been valid if that regulation had not been made.

67. The Board of Directors may from time to time entrust to and confer upon the Managing Director or Manager all or any of the powers of the Directors (except the power to make calls, forfeit shares or issue debenture) as they may think fit but the exercise of all powers by the Managing Director or Manager shall be subject to such regulation and restrictions as the Directors may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied.

68. The board of Directors shall cause minutes to be made in books provided for the purpose:-

- (a) of all appointments of officers made by the Directors;
- (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;

and every director present at any meeting of Director or committee of the Directors shall sign his name in a book to be kept for that purpose.

## DISQUALIFICATION OF DIRECTORS

69. The office of a Director shall be vacated of the following events, namely:
- (a) If he resigns by writing under his hand left at the office,
  - (b) If he is punished with imprisonment for a term exceeding six months without the option of a fine;
  - (c) If he absents himself from the meeting of Directors for continuous three meetings without special leave of absence from the Chairman;
  - (d) If he becomes insolvent or assigns his estate for benefit of his creditors
  - (e) If he be found lunatic or becomes of unsound mind;
  - (f) If he shall pursuant to the provisions of the ordinance be prohibited from acting as a Director;
  - (g) If he is dismissed or removed from office by his appointee in accordance with article 61(3)

## PROCEEDING OF DIRECTORS

70. The Directors may meet together for the dispatch of business, adjourn, and otherwise, regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second vote.
71. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed, shall be three Directors present either personally or by their alternates provided that two of them are the appointees of the majority shareholders.
72. The Continuing Directors may act notwithstanding any vacancy in their body, but, if so long as their number is reduced below the number fixed by or pursuant to these articles, as the quorum of Directors, the continuing Directors/Director may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the company, but for no other purpose.

73. If at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the remaining Directors can appoint one among their number to be Chairman of the meeting.
74. The Director may delegate any of their powers to committees consisting of such members of their body as they think fit and any committee so formed shall, in the exercise of the powers so delegated conform to any regulation that may be imposed of them by the Directors.
75. A committee may elect a Chairman of their meetings, if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their member to be Chairman of the meeting.
76. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the matter in question shall be referred to the Board of Directors.
77. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was any defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
78. A resolution in writing signed by all the directors or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Director, or as the case may be of such committee duly called and constituted. Such resolution may be contained in the document or more of the Director or members of the committee concerned.

#### **SECRETARY**

79. The Secretary shall be appointed by the Directors for such term, at such terms, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.
80. No person shall be appointed or hold office as a Secretary who is:

- (a) The sole Director of the Company; or
  - (b) A corporation sole director of which is the sole Director of the Company
  - (c) The sole Director of a corporation which is the sole Director of the Company
81. A provision of the Ordinance or these regulations 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.

#### DIVIDENDS AND RESERVE

82. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors.
83. The Director may from time to time pay to the members such interim dividends as appears to the Director to be justified by the profit of the Company.
84. No dividend shall be paid otherwise than out of profits.
85. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amount paid on the shares, but if and so long as nothing is paid up on any of the shares in the Company no dividend may be declared and paid according to the amount of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purpose of this Article as paid on the share.
86. 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 meeting contingencies, or for equalising dividends, or for any other purpose 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 Director may from time to time think fit.
87. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or in the case of

joint holders to any one of such joint-holders at his registered address or to such person and such address as the member or person entitled or such joint holders, as the case may be, may direct, every such cheque or warrant shall be payable to the order or the person to whom it is sent or to the order or such other person as the member or person entitled or such joint holders, as the case may be.

88. No dividend shall bear interest against the Company.

#### CAPITALISATION OF RESERVES

- 89 (a) The company in General Meeting may upon the recommendation of the Director resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve account or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid on cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as full paid up to and amongst such members in the proportion aforesaid or partly in the one way, and partly in the other, and the Directors shall give effect to such resolution PROVIDED THAT a share premium account and a capital redemption reserve fund may, for the purpose of this article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- (c) Whether such a resolution as aforesaid shall have been passed the Director shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereof, with full powers to certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to 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 further shares or debentures to

which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amount or any part of the amount remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

#### ACCOUNTS

90. The Directors shall cause proper books of account to be kept with respect to:-  
All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- All sales and purchase of goods by the Company; and
- The assets and liabilities of the Company.
- Proper books of account means such books as are necessary to give a true and fair view of the state of the Company's affair and to explain its transactions.
91. The books of accounts shall be kept at the registered office of the Company, or at such other place or places as the Director think fit and shall always be open to the inspection of the Directors.
92. The Directors shall from time to time determine whether and to what extent and at what times and places, and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.
93. The Directors shall from time to time in accordance with Section 123 of the Ordinance or any statutory modification thereof for the time being in force, cause to be prepared and to be placed before the Company in general meeting such profit and loss accounts, balance sheets and reports as are referred to in that section.
94. The profit and loss account shall show, arranged under the most convenient heads, the amount of gross income distinguishing the several sources form

which it has been derived, and the amount of gross expenditure distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into the account so that a just balance of profit and loss may be laid before the meeting, and in cases where any items of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

95. A copy of every balance sheet (including every document required by law to be annexed thereto) with it to be laid before the Company in general meeting, together with a copy of the auditor's report, shall not less than seven days before the date of the meeting be sent to every member of, and every holder of debentures of the company PROVIDED THAT this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any shares of debenture.

#### AUDIT

96. The Company shall at each annual General Meeting appoint an Auditor or Auditors to hold office until the next Annual General Meeting.
97. A person or corporation other than the retiring Auditor shall not be capable of being appointed Auditor at an Annual General Meeting unless notice or an intention to nominate that person or corporation to the office of Auditor has been given by a member to the company not less than fourteen days before the annual general meeting and the company shall send such notice to the retiring Auditor and shall give notice thereof to the members not less than seven days before the Annual General Meeting.
98. The remuneration of the Auditors shall be fixed by the Company in General Meeting.
99. The Auditors shall be entitled to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and to make any statement or explanation they desire with respect to the accounts

100. A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address or to the address, if any, supplied by him to the Company for the giving of notice to him.
101. Where a notice is sent by post, service of the notice shall be deemed to be effected by the properly addressing, prepaying and posting (by airmail if airmail services are available ) a letter containing the notice, and unless the contrary is proved to have been effected seven days after its dispatch if addressed to a destination within Tanzania and fourteen days after its dispatch in other cases.
102. A notice may be given by the company to the joint holders of a share by giving notice to the joint holder named first in the register in respect of the share.
103. Notice of every general meeting shall be given in the same manner hereinbefore authorised to every member of the company except those who (having no registered address) have not supplied to the company an address for the giving of notices to them. No other person shall be entitled to receive notice of general meeting.

#### SEAL

104. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Directors and in the presence of at least two Directors or Director and secretary or other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

#### WINDING UP

105. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the company and having due regard to the respective right of the holders of different classes of shares to which special rights are attached, divide amongst the members in specie or kind the whole or any part of the assets of the Company for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trustees for the benefit of the contributors as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

106. Every Director, agent, auditor, secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against the liability incurred by him in defending in such capacity and proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURES
1. HUMPHREY MWANIKI NGIBUINI P. O. BOX 3006 NAIROBI	900	<i>[Signature]</i>
2. GRACE MUKAMI MWANIKI P. O. BOX 3006 NAIROBI	570	<i>GM Mukami</i>
3. GODLISTEN ABEL MINJA P. O. BOX 79989 DAR ES SALAAM	930	<i>[Signature]</i>
4. RUTH DAVISON P. O. BOX 79989 DAR ES SALAAM	600	<i>[Signature]</i>

Dated at Dar es Salaam this 12<sup>th</sup> Day of July, 2005

Witness to the above signatures :

Name : JOSEPH I RUTABINGWA

Signature : *[Signature]*

Postal Address : P.O. Box 11879

Dar es Salaam

Qualification Advocate

