

**THE COMPANIES ACT**

**(Cap. 212)**

**(LAWS OF TANZANIA)**

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**COMPANY LIMITED BY SHARES**

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**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**SUDAFRIC AGRICULTURE LIMITED**

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**East African Law Chambers (EALC)  
Advocates  
CCM Street, Masaki  
P.O. Box 38192  
Dar Es Salam, Tanzania**

**THE COMPANIES ACT (Cap 212)**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**SUDAFRIC AGRICULTURE LIMITED**

1. The name of the Company is **SUDAFRIC AGRICULTURE LIMITED.**
2. The registered office of the Company will be situated in the Republic of Tanzania.
3. The objects for which the Company is established are: -
  - (a) To carry on the business of Mixed farming activities, crop propagation, seed production and distribution, large scale farming Bee keeping, Horticultural faring, fresh produce exports, fish farming, import of farm implements, imports of farm chemicals, animal husbandry, animal breeding, establish agricultural training institute.
  - (b) To carry on business as a supplies and general trading company and to undertake any supply, distribution, wholesale, retail, manufacturing, import, export and otherwise deal in goods and services of all descriptions or any other business which may be conveniently conducted in conjunction with any other activity of the Company.
  - (c) To carry on all or any of the businesses of transport, cartage and haulage contractors and agents, owners, and charterers of road vehicles, aircraft, ships, tugs, barges and boats of every description, owners and operators of garages and service stations, shipping, chartering, forwarding and commission agents, stevedores, wharfingers, customs agents, cargo superintendents, packers, hauliers, warehousemen and store keepers. To construct, equip, maintain and work public transport vehicles, motor coaches or other vehicles appropriate for the carriage of passengers or goods.
  - (d) To carry on business as manufacturers' representatives and to act as agents and undertake and transact agency business of every description. To act as agents or managers of foreign companies in the provision of services such as consultancies tendering and representation of every description, and in carrying on any business concerns and undertakings and to employ experts to investigate and examine into the condition, management, prospects and value of any business or undertaking and generally of any assets, property or rights of any kind. To act as business transfer agents, consultants, middlemen and intermediaries in the introduction of sellers and purchasers of goods and services of all descriptions originating from any part of the world.
  - (e) To apply for any tender, contracts and local purchase orders (LPOs) from governments and private corporate entities and organizations, and secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege which any government or authority, supreme, municipal, local or otherwise.
  - (f) To enter into any arrangements with any government or authority, supreme, municipal, local or otherwise or any person or company and to obtain from any such government, authority, person or company any grant, rights, privileges, charters, contracts, licences and concessions which the directors of the Company or any of them may think it desirable to obtain and to carry out, exercise and comply therewith. To improve manage, develop, turn to account, grant, rights or privileges in respect of or otherwise deal with any property, rights and privileges of the Company. To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege which any government or authority , supreme, municipal, local or otherwise or any corporation or other public body may be empowered to

grant and to pay for, aid in and contribute towards carrying the same into effect and to appropriate any of the Company's shares, stock, debentures or other securities and assets to defray the necessary cost, charges and expenses thereof.

- (g) To carry on the business of an investment company to invest and deal with the monies of the Company in any manner and for that purpose to invest in all forms of investments in the name of the Company including but not limited to the real estate market, and to subscribe for, take or otherwise acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations, warrants, options or other securities issued or guaranteed by any company wherever incorporated, or issued by any government, public body or authority in any part of the world and whether or not fully paid up, and subject to such terms and conditions (if any) as may be thought fit, to acquire and hold controlling and other interests in the share or loan capital of any company or companies, and to exercise and enforce all rights and powers conferred by or incident to the ownership of any investment of the Company, including provision of managerial, administrative, supervisory and consultant services for or in relation to any company in which the Company is interested on such terms as may be thought fit.
- (h) To carry on the business of a general construction, civil engineering and real estate acquisition and development company. For that purpose to acquire by purchase or otherwise real property and property of any tenure or interest thereto, to carry on the business of construction builders and contractors, electrical, mechanical, motor, civil and structural engineers, agents for, and dealers in engineering specialties of every description, manufacturers and merchants of and dealers in cement, concrete, lime, plaster, clay, gravel, sand, minerals and artificial stone and aggregates, bricks, and other building materials, together with all implements, machinery, vehicles, scaffolding and other equipment and articles used by builders, contractors or engineers of all kinds.
- (i) To carry on business as proprietors, operators and managers of supermarkets, multiple store and retail trading establishments of every description and as operators of department stores, shops or retail establishments for the sale or hire of goods or consumables of any kind to members of the public, and in that capacity to provide such goods and services for the customers of the Company as may seem expedient.
- (j) To carry on business as an information technology consultancy company. To design, modify, develop, manufacture, assemble import, distribute, supply sell and otherwise deal in computer hardware and peripheral equipment. To develop, acquire, store, licence, apply, assign, install, configure, commission, exploit all and any forms of computer and other electronic software, programs and applications and information, databases and reference material and computer, wide and local area network systems, automation systems, wireless technology systems, digital and other electronic recording, retrieval, processing and storage media of whatsoever kind and nature. To provide a technical advisory hosting and any other service for users of computers and other peripheral automatic equipment. To engage in processing of information, communications and telecommunications services including but not limited to: information retrieval and delivery, electronic messaging, electronic commerce, internet and database services, cloud computing, electronic data backup and archiving, search engine marketing and search engine optimization, game development, graphics design and animation.
- (k) To act as consultants, advisors, developers and traders in communication solutions, computer programming, system development, system design, system architecture, software designing, computer aided designs, data compilation and statistical analysis and to carry on the business of traders, developers, assemblers, repairs, importers, exporters of electronic communication systems, telecommunication hardware and software, data publishing and processing systems, software packages, computer systems, computer peripherals, computer parts, computer consumables and other industrial automation systems and gadgets and to establish, maintain,



operate help centres for the provision of the aforementioned services generally and for specific customers.

- (l) To acquire by purchase or otherwise real property and property of any tenure or interest thereto and to develop, erect and construct houses buildings or works of every description on any property whether or not owned by the Company and to demolish rebuild enlarge alter and improve existing houses buildings or works, to convert and appropriate any such land into and for roads, streets, squares, gardens and pleasure grounds and other conveniences and generally to deal with and develop the property of the Company.
- (m) To vest any movable or immovable property, rights, privileges or interests acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
- (n) To exercise and enforce all rights and powers conferred by or incident to the ownership of any investment of the Company, and to provide managerial, administrative, supervisory and consultant services for or in relation to any company in which the Company is interested on such terms as may be thought fit.
- (o) To acquire and hold controlling and other interests in the share or loan capital of any company or companies.
- (p) To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or which is capable of being conducted so as, directly or indirectly, to benefit the Company.
- (q) To obtain all necessary permits or licences required for the purpose of enabling the company to carry on its business upon such terms and conditions as may be acceptable to it.
- (r) To apply for, purchase or otherwise acquire and protect and renew in any part of the world any patents, patent rights, brevets d'invention, copyrights, trade marks, designs, formulas, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem likely, directly or indirectly, to benefit the Company and to use, exercise, develop or grant licences in respect thereof or otherwise turn to account the property, rights or information so acquired and to expend monies in experimenting upon, testing or improving any such patents, inventions or rights.
- (s) To acquire and discount as traders commission agents or in any other capacity agreements or any rights thereunder (whether proprietary or contractual) and generally to carry on business and to act in any part of the world and to import export buy sell barter exchange pledge make advances upon or otherwise deal in goods, produce, articles and merchandise.
- (t) To establish or promote or concur in establishing or promoting any company association, syndicate or partnership of any kind for the purpose of its acquiring and taking over all or any part of the undertaking, property, assets and liabilities of the Company or for any other purpose which may in the opinion of the directors of the Company, seem likely, directly or indirectly, to benefit the Company and to place or guarantee the placing for, underwrite, subscribe for, conditionally or unconditionally, issue on commission or otherwise acquire all or any part of the shares, stock, debentures or other securities of any such other company.
- (u) To carry on the business of magazine, periodical and journal proprietors and publishers, book publishers and sellers, press agents, newsagents and wholesale and retail stationers and to carry on the business of advertising and publicity agents and contractors, press agents, press cutting agents, billposters, advertising consultants, exhibition and display specialists and contractors, and generally to undertake and execute agencies and commissions of all kinds.

- (v) To carry on all or any one or more of the trades or business of wholesalers, exporters, distributors, packers, finishers, producers, merchant-brokers, agents, factors.
- (w) To give credit to any person or company with or without security, to guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company, to secure or undertake in any way the repayment of money lent or advanced to or the liabilities incurred by any person or company and otherwise to assist any person or company.
- (x) To borrow or raise or secure the payment of money in such manner as the directors of the Company may think fit and to secure the same or the payment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the Company in any way and in particular by the issue of debentures or debenture stock (perpetual or otherwise) or legal and equitable mortgages or charges upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem or pay off any such securities.
- (y) To open and operate a banking account or banking accounts and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, drafts, cheques, bonds, debentures and other negotiable or transferable instruments.
- (z) To apply for, promote and obtain any act, decree, order of court, regulation or other authorisation or enactment to enable the Company to carry on any of its objects into effect or for effecting any modification of the Company's constitution.
- (aa) To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, stock, debentures or other securities of the Company.
- (bb) To pay for any rights or property acquired by the Company and to remunerate any person or company whether by a cash payment or by the allotment of shares, stock, debentures or other securities of the Company credited as paid up in full or in part or otherwise.
- (cc) To adopt such means of making known the business, activities, products and goods or any articles dealt in and sold by the Company as may seem expedient.
- (dd) To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint adventure, reciprocal concession, limiting competition or otherwise with any person or company carrying on or engaged in or about to carry on any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as, directly or indirectly, to benefit the Company.
- (ee) To distribute among the members in specie or in kind any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no disposal of any property of the Company or distribution amounting to a reduction of capital shall be made except with the sanction (if any) for the time being required by law.
- (ff) To undertake and execute any trust which may, in the opinion of the directors of the Company, be conducive to any of the objects of the Company.
- (gg) To act as agents, factors, brokers or trustees for any person or company and to act as secretary, manager, consultant, adviser, book-keeper and registrar of or transfer agent for any other company.
- (hh) To do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors or otherwise and either alone or jointly with others and either by or through agents, trustees, sub-contractors or otherwise.

- (ii) To procure the Company to be registered or recognised in any place outside the Republic of Kenya and to open a branch or branches of the Company in any place outside the Republic of Kenya and to do all such other things as are or may be deemed incidental or conducive to the attainment of any of the objects and the exercise of the powers of the Company.
  - (jj) To carry on any other trade, business or activity whatsoever and to do anything of any nature which can, in the opinion of the directors of the Company, be advantageously or conveniently carried on by the Company in connection with, as an extension to, as ancillary to or independently of its businesses enumerated hereinbefore or the general or existing businesses of the Company for the time being.
  - (kk) It is hereby declared that the word "company" in this clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated in the Republic of Kenya or elsewhere and that the objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the object of a separate and distinct company. The meaning of any general word or words in any paragraph of this clause shall not be restricted by being construed ejusdem generis with a particular word or words in the same paragraph.
  - (ll) To carry on any business or activity which may seem capable of being conveniently carried on in connection with any activity of the Company or calculated to enhance the value of any of the Company's property or rights.
4. The liability of the members is limited.
  5. The share capital of the Company is Tanzania Shillings One Million (Tshs. 1,000,000/=) divided into One thousand (1,000) shares of Tanzania Shillings One Thousand (Tshs. 1,000/=) each. with power for the Company to increase or reduce such capital and to divide any shares in the capital of the Company for the time being into different classes and to attach thereto respectively any preferential, deferred, qualified or other rights, privileges, restrictions or conditions.

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

SN.	Names, Addresses and Description of Subscribers	Number of Shares  taken by each subscriber	Signature  of  Subscribers
1.	<p style="text-align: center;"><b>KENNEDY KIPNUSU</b>  BURUBURU  UMOJA ROAD  MAKADARA  NAIROBI - KENYA</p>	950	
2.	<p style="text-align: center;"><b>ENNEA RAPHAEL KONGA</b>  P.O.BOX 34211  DAR ES SALAAM  TANZANIA</p>	50	

Dated at Dar as salaam this 15<sup>TH</sup> Day of SEPTEMBER 2023

Witness to the above signatures:

**NAME:** Nyangi Georgia Wambura

**SIGNATURE:**



**ADDRESS:**

P.O. Box 21487 - Dar es Salaam – Tanzania

**QUALIFICATION:** Advocate



**THE COMPANIES ACT (Cap. 212)****COMPANY LIMITED BY SHARES****ARTICLES OF ASSOCIATION****OF****SUDAFRIC AGRICULTURE LIMITED**

1. The regulations contained in Table A in the First Schedule to the Act shall not apply to the Company.
2. In these Articles, if not inconsistent with the subject or context the words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof:

WORDS	MEANINGS
The Act	The Companies Act (Cap 212).
These Articles	These Articles of Association as now framed or as from time to time altered by special resolution.
The Company	SUDAFRIC AGRICULTURE LIMITED
The Seal	The Common Seal of the Company.
Kenya	The Republic of Tanzania
Month	Calendar Month.
The Board	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.
In writing	Words written, printed, lithographed or represented or reproduced in any other mode in visible form.
Paid up	Paid up or credited as paid.
	Words signifying the singular number only shall include the plural number and vice versa;
	Words signifying the masculine gender only shall include the feminine gender;
	Words importing persons shall include corporations;
	The expression "directors" shall include an alternate director;
	The expression "the secretary" shall include a temporary or assistant secretary and any person appointed by the Board to perform any of the duties of the secretary.

The expression "dividend" shall include bonus.

Reference in these Articles to any provision of the Act shall be construed as a reference to such provision as modified or re-enacted by any Act for the time being in force.

3. Subject to the last preceding Article, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

#### **PRIVATE COMPANY**

4. The company is a private Company and accordingly:
- (a) 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 the 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 (2) or more persons hold one (1) or more shares in the Company jointly, they shall, for the purpose 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 the manner hereinafter provided.

#### **BUSINESS**

5. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall deem fit and, further, may be permitted by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with the same.
6. The registered office of the Company shall be at such place in Kenya as the Board shall from time to time appoint.
7. No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription by any person of or for shares in the Company or in its holding company (if any) provided that nothing in this Article shall prohibit transactions mentioned in the proviso to Section 56 (1) of the Act.

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

8. The share capital of the Company is Tanzania Shillings One Million (Tshs. 1,000,000/=) divided into 1000 shares of Tanzania Shillings One Thousand (Tshs. 1,000/=) each.
9. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such 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 ordinary resolution determine.
10. Subject to the provisions of Section 60 of the Act, any preference shares may, with the sanction of a special resolution, be issued upon 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 may by special resolution determine.

11. If, at any time, the 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 from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than 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 that class. To every such separate general meeting, all the provisions of these Articles relating to general meetings of the Company shall, *mutatis mutandis*, apply but so that the necessary quorum shall be two (2) persons at least, holding or representing by proxy not less than 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.
12. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.
13. Subject to the provisions of these Articles, the shares in the capital of the Company shall be at the disposal of the Board which may allot, grant options over or otherwise dispose of them to such persons, for such consideration, on such terms and conditions and at such times as it may determine provided that no shares shall be issued at a discount except in accordance with Section 59 of the Act.
14. Unless otherwise determined by special resolution and except in the case of the issue of shares pursuant to any rights previously conferred in accordance with these Articles, whenever the Board proposes to issue any shares they shall offer them in the first instance to members (other than preference shareholders not specifically entitled to them under the terms of issue of their preference shares) in proportion as nearly as may be to the number of existing shares held by them. Such offer shall be made by notice in writing specifying the number of shares to which the member is entitled and limiting a time (not less than twenty-one (21) days) within which the offer, if not accepted, will be deemed to be declined and the expiration of that time (if the offer is not accepted) or on the receipt of an intimation from the member to whom the offer is made, that he declines to accept the shares offered, the Board may allot or otherwise dispose of those shares to such persons and upon such terms as may be decided by it. The Board may likewise so dispose of any shares, which, by reason of the ratio which the offered shares bear to existing shares, cannot in the opinion of the Board be conveniently offered under this Article.
15. The Company may exercise the powers of paying commissions conferred by Section 55 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid and the number of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said Section and that such commission shall not exceed ten per cent (10%) of the price at which the shares in respect whereof the same is paid or are issued or an amount equal to ten per cent (10%) of such price (as the case may be). 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. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
16. If any shares in the capital of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long time, the Company may, subject to the conditions and restrictions mentioned in Section 67 of the Act, pay interest on so much of such share capital as is for the time being paid up and may charge the same to capital as part of the cost of construction of the works or buildings or the provision of plant as the case may be.
17. 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 only as by these Articles or by law otherwise required or provided)

any other right in respect of any share other than an absolute right to the entirety thereof in the registered holder.

### **CERTIFICATES**

18. Every person whose name is entered as a member in the register of members shall be entitled, without payment, to one (1) certificate for all his shares of each class and, when part only of the shares comprised in a certificate is sold or transferred, to a new certificate for the remainder of the shares so comprised or, upon payment of such sum not exceeding Kenya Shillings Twenty (Kshs. 20/=) for every certificate after the first as the Board shall from time to time determine. Every certificate shall be issued within sixty (60) days after allotment or lodgment of the instrument of transfer (or within such other period as the conditions of issue shall provide), shall be under the Seal and shall specify the share or shares to which it relates and the amount paid up thereon. In the case of shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate therefor and delivery of a certificate to one (1) of the several joint holders shall be sufficient delivery to all.
19. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding Kenya Shillings Twenty (Kshs. 20/=) and, in the case of loss or destruction, on such terms, if any, as to evidence and indemnity and payment of the out-of-pocket expenses of the Company for investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

### **LIEN**

20. The Company shall have a lien on every share (other than a fully paid share) registered in the name of a member (whether solely or jointly with others) for all monies (whether presently payable or not) due by such member or his estate, either alone or jointly with any other person, to the Company but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends payable thereon.
21. The Company may sell, in such manner as the Board may determine, any share on which the Company has a lien, but no sale shall be made unless such sum in respect of which the lien exists is presently payable or before the expiration of fourteen (14) days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default, shall have been given to the holder for the time being of the share or to the person entitled thereto by reason of his death or bankruptcy.
22. To give effect to any such sale, the Board may authorise any person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he 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 or invalidity in the proceedings in reference to the sale.
23. The net proceeds of any such sale, after payment of the costs of such sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale.

### **CALLS ON SHARES**

24. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares and not by the conditions of allotment thereof made payable at fixed times and each member shall (subject to the Company giving to him at least fourteen (14) days notice specifying the time or times and place of payment) pay to the Company at the time or times and place specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

25. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
26. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
27. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding fifteen per cent (15%) per annum, as the Board may determine but the Board may waive payment of such interest wholly or in part.
28. Any sum which, by the terms of issue of a share, becomes payable on allotment or on any fixed date, whether on account of a nominal amount of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such had become payable by virtue of a call duly made and notified.
29. The Board may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
30. The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him, upon all or any other monies so advanced and may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) fifteen per cent (15%) per annum, as may be agreed upon between the Board and the members paying such sum in advance.

#### **TRANSFER OF SHARES**

31. The transfer of any share in the Company shall be in writing in any usual or common form and shall be signed by the transferor and the transferee. 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. All instruments of transfer, when registered, shall be retained by the Company.
32.
  - (a) Subject to the provisions of Article 33 no shares in the Company shall be transferred unless and until the rights of pre-emption hereinafter conferred shall have been exhausted;
  - (b) Every member who desires to transfer any share or shares (hereinafter called "the vendor") shall give to the Company notice in writing of such desire (hereinafter called "the transfer notice"). Subject as hereinafter mentioned, a transfer notice shall constitute the Company the vendor's agent for the sale of the share or shares specified therein (hereinafter called "the said shares") to the members other than the vendor at a price to be agreed upon by the vendor and the Board or, in case of difference at the price which the auditor of the Company for the time being shall, by writing under his hand, certify to be in his opinion the fair value thereof as between a willing seller and a willing buyer. A transfer notice may contain a provision that, unless all the shares comprised shall be so sold none should be sold and any such provision shall be binding on the Company;
  - (c) If the auditor is asked to certify the fair price as aforesaid, the Company shall, as soon as it receives the auditor's certificate, furnish a certified copy thereof to the vendor and the vendor shall be entitled, by notice in writing given to the Company within ten (10) days of the service upon him of the said certified copy, to cancel the Company's authority to sell the said shares. The cost of obtaining the certificate shall be borne by the Company unless the vendor shall give notice of cancellation as aforesaid in which case he shall bear the said cost;

- (d) Upon the price being fixed as aforesaid and provided the vendor shall not give notice of cancellation as aforesaid, the Company shall forthwith by notice in writing inform each member other than the vendor of the number and price of the said shares and invite each such member to apply in writing to the Company within twenty-one (21) days of the date of service of the notice for such maximum number of the said shares (being all or any part thereof) as he shall specify in such application;
  - (e) If the said members or any of them shall within the said period of twenty-one (21) days apply for all or (except where the transfer notice provides otherwise) any of the said shares, the Board shall allocate the said shares (or so many of them as shall be applied for as aforesaid) to or amongst the applicants and in case of competition pro rata (as nearly as possible) according to the number of shares in the Company of which they are registered or unconditionally entitled to be registered as holders, provided that no applicant shall be obliged to take more than the maximum number of shares specified by him as aforesaid. The Company shall forthwith give notice of such allocations (hereinafter called "an allocation notice") to the vendor and to the persons to whom the shares have been allocated and shall specify in such notice the place and time (being not earlier than fourteen (14) and not later than twenty-eight (28) days after the date of the notice) at which the sale of the shares so allocated shall be completed;
  - (f) The vendor shall be bound to transfer the shares comprised in an allocation notice to the purchaser named therein at the time and place therein specified and, if he shall fail to do so, the chairman of the Company or some other person appointed by the directors shall be deemed to have been appointed attorney of the vendor with full power to execute, complete and deliver, in the name and on behalf of the vendor, a transfer of the shares to the purchaser thereof against payment of the price to the Company. On payment of the price to the Company, the purchaser shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer the purchaser shall be entitled to insist upon his name being entered in the register of members of the Company as the holder by transfer of the shares. The Company shall forthwith pay the price into a separate bank account in the Company's name and shall hold such price in trust for the vendor;
  - (g) During the six (6) months following the expiry of the said period of twenty-one (21) days referred to in paragraph (d) hereof, the vendor shall, subject nevertheless to the provisions of Article 34, be at liberty to transfer to any person and at any price (not being less than the price fixed under paragraph (b) hereof) any share not allocated by the directors in an allocation notice provided that, if the vendor stipulated in his transfer notice that, unless all the shares comprised therein were sold pursuant to this Article none should be sold, the vendor shall not be entitled, save with the written consent of all the other members of the Company, to sell hereunder only some of the shares comprised in his transfer notice.
33. The rights of pre-emption conferred in Article 32 hereof shall not apply to: -
- (a) any transfer approved in writing by all the members;
  - (b) any transfer by a member to the spouse, child, brother, sister or parent of that member;
  - (c) any transfer by the personal representative of a deceased member to the widow, widower, child, brother, sister or parent of that deceased member;
  - (d) any transfer by the trustees, executors or administrators of a deceased member to new trustees, executors or administrators upon any change thereof;

- (e) any transfer by a corporate member to an associated company (that is to say any holding company or subsidiary of such corporate member and any other subsidiary of such corporate member and any other subsidiary of any such holding company).
  - (f) any transfer by a corporate member to a company formed to acquire the whole or a substantial part of the undertaking and assets of such corporate member as part of a scheme of amalgamation or reconstruction.
34. The Board may refuse to register any transfer of any share:-
- (a) on which the Company has a lien;
  - (b) to a person of whom they do not approve;
  - (c) the registration of which would cause the number of members to exceed the maximum permitted by Article 4;
  - (d) unless a fee not exceeding Tanzania Shillings Five hundred (Tshs. 500/=) is paid to the Company in respect thereof;
  - (e) unless the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
  - (f) unless the instrument of transfer is in respect of only one (1) class of shares.
35. If the Board refuses to register a transfer it shall, within sixty (60) days after the date on which the instrument of transfer was lodged with the Company, send to the transferee notice of the refusal.
36. The registration of transfers may be suspended at such time and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year.
37. The Company shall be entitled to charge a fee not exceeding Tanzania Shillings Five hundred (Tshs. 500/=) on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney or other instrument relating to or affecting the title to any share.

#### **TRANSMISSION OF SHARES**

38. In the case of the death of a member, the survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person recognised by the Company as having any title to his shares; provided that nothing herein contained shall release the estate of the deceased member from any liability in respect of any share solely or jointly held by him.
39. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the Board, have the right either to be registered as a member in respect of the share or instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made, and the Board shall, in either case, have the same right to refuse or suspend registration as it would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.
40. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect of it to exercise any right conferred by membership in relation to general meetings of the Company, provided that the Board may, at any time, give notice in writing requiring any such person to elect either to be registered himself or to transfer the

share and, if the notice is not complied with within (3) three months after the date of service thereof, the Board may, thereafter, withhold payment of dividends and other monies payable in respect of the share until compliance with the notice has been effected.

#### **FORFEITURE OF SHARES**

41. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may, at any time thereafter while any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest and expenses which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
42. The notice shall specify a date (being not less than fourteen (14) days from the date of service of the notice) on or before which and the place where 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 and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.
43. If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may, at any time after the date specified in such notice, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture.
44. When any shares have been forfeited, notice of the forfeiture shall forthwith be given to the holder of the shares or to the person entitled to the shares by reason of the death or bankruptcy of the holder (as the case may be) but no forfeiture shall be invalidated by any omission or neglect to give such notice as aforesaid.
45. Forfeited shares shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed off upon such terms in such manner as the Board may think fit and, at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board may determine.
46. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares together with interest thereon at such rate (not exceeding fifteen per cent (15%) per annum) as the Board may determine, from the date of forfeiture until payment.
47. A statutory declaration in writing that a declarant is a director or the secretary of the Company and that shares have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the shares. Such declaration and the receipt by the Company of the consideration (if any) given for the shares on the sale, re-allotment or disposal thereof together with the certificate for the shares delivered to a transferee or allottee thereof shall (subject to the execution of a transfer if the same be so required) constitute a good title to the shares and the person to whom the shares are sold, re-allotted or otherwise disposed of shall be registered as the holder thereof and shall not be bound to see to the application of the consideration (if any) nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposition of the shares.

#### **CONVERSION OF SHARES INTO STOCK**

48. The Company may from time to time, by ordinary resolution, convert any paid up shares into stock and may reconvert any stock into paid-up shares of any denomination.

49. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previous to conversion have been transferred, or as near thereto as circumstances admit and the directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
50. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in dividends and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.
51. All the provisions of these Articles which are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" herein shall include "stock" and "stock-holder".

#### **INCREASE OF CAPITAL**

52. The Company may from time to time, by ordinary resolution, increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

#### **ALTERATION OF CAPITAL**

53. The Company may, from time to time, by ordinary resolution: -
- (a) Consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
  - (b) Sub-divide its shares or any of them into shares of smaller amounts than is fixed by the memorandum of association (subject nevertheless to the provisions of Section 63 (1) (d) of the Act) and the resolution whereby any share is so sub-divided may determine that one (1) or more of the shares resulting from such sub-division may carry any such preferred, deferred, special or qualified rights over or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;
  - (c) Cancel any shares which, at the date of the passing of the resolution, have not been issued or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

#### **REDUCTION OF CAPITAL**

54. The Company may from time to time, by special resolution, reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

#### **GENERAL MEETINGS**

55. The Company shall, in each year, hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notice calling it. Not more than fifteen (15) months shall elapse between the date of one (1) annual general meeting of the Company and that of the next. So long as the Company holds its first annual general meeting within eighteen (18) months of its incorporation, it need not hold it in the year of its incorporation or in the following year. Annual and other general meetings shall be held at such times and places as the Board shall appoint. All general meetings, other than annual general meetings, shall be called extraordinary general meetings.
56. The Board may, whenever it thinks fit, convene an extraordinary general meeting and extraordinary general meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists as is provided by Section 132 of the Act. If, at any time, there are not within Kenya

sufficient directors capable of acting to form a quorum, any director or any two (2) members of the Company may convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board.

#### **NOTICE OF GENERAL MEETINGS**

57. Every general meeting shall be called by at least twenty-one (21) days notice in writing (exclusive of the day on which it is served or deemed to be served and of the day for which it is given). The notice shall specify the place, the date and the time of such general meeting and, in case of special business, the nature of that business and shall be given, in manner hereinafter mentioned or any such other manner, if any, as may be prescribed by the Company in general meeting to such persons as are, under these Articles, entitled to receive such notices from the Company; Provided that with the consent in writing of all the members entitled to receive notice thereof, a meeting may be called by shorter notice than that specified in this Article.
58. In every notice calling a meeting there shall appear, with reasonable prominence, a statement that a member entitled to attend and vote thereat is entitled to appoint one (1) or more proxies to attend and vote in his stead and that a proxy need not be a member.
59. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

60. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends the consideration of the accounts and balance sheets (and any other documents accompanying or annexed thereto) the reports of the directors and auditors, the election of directors, the appointment of auditors and the fixing of the remuneration of the directors and auditors.
61. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided by these Articles, two (2) members present in person or by proxy or by attorney or, in the case of a corporation, represented in accordance with Article 83 shall be a quorum, provided that one (1) member holding the proxy of one (1) or more other members or one (1) person holding the proxies of two (2) or more members shall not constitute a quorum.
62. If, within thirty (30) minutes of the time appointed for the meeting, a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week at the same time and place and if, at such adjourned meeting, a quorum is not present within thirty (30) minutes of the time appointed for the meeting, the meeting shall be dissolved.
63. The chairman (if any) or, in his absence, the deputy-chairman (if any) of the Board shall preside at every general meeting. If there is no such chairman or deputy-chairman or if, at any meeting neither is present within fifteen (15) minutes of the time appointed for the same, or if neither is willing to act as chairman, the members present shall choose some director or, if no director is present or if none of the directors present are willing to act as chairman, they shall choose some member present to be chairman of the meeting.
64. The chairman of any meeting at which a quorum is present may, with the consent of the meeting and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting determines but no business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given in the

same manner 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.

65. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll is demanded by the chairman of the meeting or by any member present in person or by proxy or, in the case of a corporation, represented in accordance with Article 83. Unless a poll is so demanded, a declaration by the chairman of the meeting 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 book containing minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.
66. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the chairman of the meeting shall direct.
67. If a poll has been duly demanded, the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
68. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded and such demand may be withdrawn at any time.
69. On a poll votes may be given personally or by proxy or by attorney or by a representative of a corporation appointed in accordance with Article 83.
70. In the case of an equality of votes, either on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
71. If any vote shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the resolution unless it is pointed out at the same meeting and not, in that case, unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to vitiate the resolution.
72. Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their representatives appointed in accordance with Article 83) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Such resolution may be contained in one (1) document or in several and either shall be treated as valid.

#### **VOTES OF MEMBERS**

73. Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative appointed in accordance with Article 83 shall have one (1) vote. On a poll every member shall have one (1) vote for each share of which he is the holder.
74. No member shall be entitled to receive any dividend or to be present at any general meeting or on a poll or to be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares held by him, whether alone or jointly with any other person.
75. In the case of joint holders of a share, 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 names stand in the register.

76. A member of unsound mind in respect of whose estate a manager has been appointed under Section 38 of the Mental Health Act (Chapter 248 of the Laws of Kenya) may vote, whether on a show of hands or on a poll, by his said manager and any such manager may, on a poll, vote by proxy.
77. 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 given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
78. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or duly authorised attorney of such corporation. A proxy need not be a member of the Company but shall be entitled to the same right to address a meeting as the member appointing him.
79. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place in Kenya as may be specified for that purpose in the notice convening the meeting, not less than twenty-four (24) 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, the time appointed for the taking of the poll and, in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution.

#### **DIRECTORS**

80. The number of directors shall be not less than two (2). The first directors shall be appointed, in writing, by the subscribers to the memorandum of association.
81. The directors (other than those directors whose remuneration is determined by agreement between the Company and such directors) shall be entitled to such remuneration for their services as the Company may, from time to time, in general meeting, determine and such remuneration shall be divided among the directors in such proportion and manner as they may determine or, failing such determination, equally, except that in such event any director holding office for less than a year shall only rank in such division in proportion to the period during which he has held office during such year . The directors, including alternate directors, shall also be entitled to be reimbursed by the Company in respect of their travelling, hotel and incidental expenses reasonably incurred while engaged on the business of the Company.
82. Any director who, by request, performs special or extraordinary services or goes or resides abroad on behalf of the Company, may be paid such extra remuneration (whether by way of lump sum, salary, commission, percentage of profits or otherwise) as the Board may determine.
83. A director need not be a shareholder but shall be entitled to receive notice of and to attend and speak at all general meetings of the Company or at any separate meeting of the holders of any class of shares of the Company.
84. (a) Any director may appoint another director or any other person who is approved by the directors to be his alternate to act in his place at any meeting of the Board 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 meetings of the Board at which his appointor is not personally present and, where he is a director, to have a separate vote on behalf of his appointor in addition to his own vote. A director may, at any time, revoke the appointment of an alternate appointed by him. The appointment of an alternate shall be revoked, ipso facto, if his appointor ceases for any reason to be a director. Every appointment and revocation under

this Article shall be effected by notice in writing under the hand of the appointor served on the Company and on such alternate director;

- (b) 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;
  - (c) 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.
85. Every director shall remain in office until: -
- (a) he is removed from office pursuant to Section 185 of the Act or by a special resolution of the Company in general meeting;
  - (b) he ceases to be a director by virtue of Section 186 of the Act;
  - (c) he becomes bankrupt or makes an arrangement or composition with his creditors generally;
  - (d) he becomes prohibited from being a director by reason of any order made under Section 189 of the Act;
  - (e) he becomes of unsound mind; or
  - (f) he resigns his office by notice in writing to the Company.
86. The Board may, at any time and from time to time, appoint a person to be a director to fill a casual vacancy or as an addition to the Board but so that the total number of directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles.
87. The Company may, by ordinary resolution, appoint another person in place of a director removed from office under Article 89 and, without prejudice to the powers of the directors under Article 90, the Company may, by ordinary resolution, appoint any person to be a director either to fill a casual vacancy or as an additional director.

#### **DIRECTORS' CONTRACTS**

88. a) A director may contract with and be interested in any way, whether directly or indirectly, in any actual or proposed contract or arrangement with the Company, either as vendor, purchaser or otherwise, and shall not be liable to account for any profit made by him by reason of any such contract or arrangement, provided that the nature of the interest of the director in such contract or arrangement is declared at the meeting of the Board at which the question is first taken into consideration if his interest then exists or, in any other case, at the next meeting of the Board after he became interested and it shall be the duty of the director so to declare his interest. No director shall vote as a director in respect of any contract or arrangement in which he is interested and, if he does vote, his vote shall not be counted but he shall, nevertheless, be counted in the quorum present at the meeting.

These prohibitions shall not apply: -

- (i) to any arrangement for giving a director any security for advances or by way of indemnity or to any allotment to or any contract or arrangement for the underwriting or subscription by a director of shares or securities of the Company; or
- (ii) to any contract or dealing in which the director is interested by reason only of his being a director or other officer, employee or nominee of any government or corporation or company

which, being a member of the Company or holding shares in a corporation or company which is a member of the Company, is interested in such contract or dealing whether directly or indirectly and this exception shall not cease to have effect merely by reason of the fact that the director is also a shareholder or creditor of any such government, corporation or company or of any corporation or company in which it is interested;

Provided that these provisions may at any time be suspended or relaxed to any extent by the Company in general meeting.

- (b) A director may hold office as a director or manager of or be otherwise interested in any other corporation or company in which the Company is in any way interested and shall not (unless it is otherwise agreed) be liable to account to the Company for any remuneration or other benefits receivable by him from such other corporation or company;
- (c) A director may hold any other office or place of profit under the Company (except that of auditor) in conjunction with his office of director and on such terms as to remuneration and otherwise as the Board shall arrange;
- (d) A director may act by himself or his firm in a professional capacity for the Company (except as auditor of the Company) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.
- (e) For the purpose of this Article, a general notice to the Board by a director at any meeting of the Board to the effect that he is a member of a specified corporation, company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that corporation, company or firm, shall be deemed to be sufficient declaration of interest in relation to any contract so made.

#### **POWERS AND DUTIES OF THE BOARD**

- 89. The Board may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue income notes, bonds, debentures and other securities.
- 90. The business of the Company shall be managed by the Board which may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as it thinks fit and may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in general meeting (subject nevertheless to the provisions of these Articles and of the Act) and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- 91. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in Kenya or elsewhere, and may appoint any persons to be members of such local boards or managers or agents and may fix their remuneration and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding any vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

92. The Board may, by power of attorney, appoint any company, firm, or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers authorities and discretions vested in him.
93. The Company may exercise the powers conferred by Section 37 of the Act with regard to having an official seal for use outside Kenya and such powers shall be vested in the Board.
94. The Company may exercise the powers conferred by Sections 121 to 123 of the Act with regard to the keeping of a branch register and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit regarding the keeping of any such branch register.
95. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Board shall from time to time by resolution determine.
96. The directors shall cause minutes to be made, in books provided for the purpose, recording in respect of every meeting of the Company, of the Board and of the committees of the directors the names of all persons present and all resolutions and proceedings at such meeting. The minutes of every such meeting shall be read at the next meeting of the Company, of the Board or of the committees of directors, as the case may be, and, after being amended or corrected, if necessary, and approved by the meeting, shall be signed by the chairman of the meeting and, once so signed shall be prima facie evidence of the matters stated therein.
97. The Board may grant pensions, annuities, gratuities or other allowances on death, sickness, disability or retirement to any person who is or has been employed by or in the service of the Company or any subsidiary company of the Company or of its holding company (if any) or to any person who is or has been a director or other officer of the Company or any such subsidiary company or holding company (if any) and to the widow, family or dependants of such person. The Board may establish and maintain or concur with such subsidiary company or holding company (if any) as aforesaid in establishing and maintaining any schemes or funds for providing such benefits as aforesaid and may pay out of the funds for providing such benefits as aforesaid and may pay out of the funds of the Company any premium, contributions or sums payable by the Company under the provisions of any such schemes or funds.

#### **PROCEEDINGS OF THE BOARD**

98. The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. The secretary on the instructions of the chairman or the requisition of a director shall at any time summon a Board meeting. At least seven (7) days notice (inclusive of the date of service and the date of meeting) of all Board meetings shall, unless waived by all directors or their respective alternates, be given in manner hereinafter mentioned to all directors and alternate directors.
99. The quorum necessary for the transaction of the business of the Board shall be two (2) directors present either personally or by alternate, provided that one (1) person whether a director or not, although a duly appointed alternate for any number of directors, shall not constitute a quorum.
100. The continuing directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the minimum number fixed by or in accordance with these Articles as the

necessary quorum for Board meetings, the continuing directors may act for the purposes of increasing the number of directors to that number or of summoning general meetings of the Company but not for any other purpose.

101. The Board may elect a chairman and deputy-chairman of its meetings and determine the period for which they, respectively, are to hold office. If no such chairman or deputy-chairman is elected or if at any meeting neither the chairman or deputy-chairman is present within fifteen (15) minutes after the time appointed for holding the same, the directors present may choose one (1) of their member to be chairman of the meeting.
102. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.
103. The Board may delegate any of its powers to committees, whether consisting of a member or members of its body or not, as it thinks fit. 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 Board.
104. The meetings and proceedings of any committee consisting of two (2) or more persons shall be governed by the provisions herein contained for regulating the meetings of and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.
105. A resolution in writing signed or approved by letter by all the directors (or their alternate directors) or by all the members of a committee of directors shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case maybe, of such committee duly called and constituted. Such resolution maybe contained in one (1) document or in several documents in like form each signed by one (1) or more of the directors or members of the committee concerned.
106. All acts done by the Board or any committee of directors or by any person acting as a director shall notwithstanding that it is afterwards discovered that there was some defect in the appointment of any director or person acting as aforesaid or that they or any of them had vacated office or were not entitled to vote, shall be as valid as if every such person had been duly appointed and had continued to be a director or to act as aforesaid.

#### **MANAGING DIRECTOR**

107. The Board may from time to time appoint one (1) or more of its body to the office of managing director or manager for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. The appointment of a director holding such office shall (without prejudice to any claim he may have for damages for breach of contract of service between him and the Company) ipso facto determine if he ceases from any cause to be a director.
108. A managing director or manager shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and either in addition to or in lieu of his remuneration as a director.
109. The Board may entrust to and confer upon a managing director or manager any of the powers exercisable by it (other than the powers to borrow money, charge the property and assets of the Company and pay dividends) upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers and may from time to time object to the terms of any agreement entered into in any particular case revoke, withdraw, alter or vary all or any of such powers.

**SECRETARY**

110. The secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and the appointment of any secretary maybe terminated by the Board. The provisions of Sections 178 to 180 inclusive of the Act shall be observed.

**THE SEAL**

111. The Board shall provide for the safe custody of the Seal which shall only be used by the authority of the Board or a committee of directors authorised by the Board in that behalf and every instrument to which the Seal shall be affixed shall be signed by a director and by the secretary or by a second director or by some other person appointed by the Board for that purpose.

**DIVIDENDS AND RESERVES**

112. The Company may, in general meeting, declare dividends but no dividends shall exceed the amount recommended by the Board.
113. The Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company.
114. No dividend shall be paid otherwise than out of profits.
115. 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 amounts paid up on the shares in respect whereof the dividends are paid but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any shares be issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
116. The Board may deduct from any dividend payable to any member on or in respect of a share any sums of money presently payable by him to the Company on account of calls or otherwise.
117. The Board may retain any divided or other money payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
118. No dividend shall bear interest against the Company.
119. With the sanction of a general meeting, any dividend may be paid wholly or in part by distribution of specific assets and, in particular, of paid-up shares or debentures of any other company or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the Board may settle the same as they think expedient and, in particular, may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all members and may vest any such specific assets in trustees upon trust for the members entitled to the dividend as may seem expedient to the Board.
120. Any dividend, interest or other sum payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed 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 on the register 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, unless the holder otherwise directs, be made payable to the order of the registered holder or, in the case of joint holders, to the order of the holder whose name stands first on the register of members in respect of such shares and shall be sent at his or their risk. Any one (1) of two (2) or more

joint holders may give effectual receipts for any dividends, bonuses or other monies payable in respect of the shares held by them as joint holders.

121. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits 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 or its holding company if any) as the Board may from time to time think fit. The Board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to divide.

#### **CAPITALISATION OF PROFITS**

122. The Company in general meeting may, upon the recommendation of the Board, 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 accounts or of any share premium account or 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 proportions, on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such member respectively or paying up in full unissued shares, income notes or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportions aforesaid or partly in the one way and partly in the other and the Board shall give effect to such resolution; Provided that amounts standing to the credit of a share premium account or a capital redemption reserve fund may, for the purposes 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.
123. Whenever such a resolution as aforesaid shall have been passed the Board shall make all such appropriations and applications of the undivided profits, allotments and issues of fully paid shares, income notes or debentures as may be required thereby and shall do all acts and things required to give effect thereto, with full power to the Board to acquire fractions or to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks 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 any shares, income notes 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 amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

#### **ACCOUNTS**

124. The Board shall cause proper books of account to be kept with respect to: -
- (a) All sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;
  - (b) All sales and purchase of goods by the Company; and
  - (c) The assets and liabilities of the Company.
125. The books of account shall be kept at the office or at such other place or places in Kenya as the Board thinks fit and shall always be open to the inspection of the directors.

126. The Board may, 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 book or document of the Company except as conferred by statute or authorised by the directors or by the Company in general meeting.
127. The directors shall from time to time, in accordance with Sections 148, 150, 156 and 157 of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets and reports as are referred to in those Sections.
128. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting together with a copy of the auditor's report shall, not less than twenty-one (21) days before the date of the meeting, be sent to every member of and every holder of income notes or debentures of the Company.

#### **AUDIT**

129. Auditors shall be appointed and their duties regulated in accordance with Sections 159 to 162 of the Act.

#### **NOTICES**

130. Any notice or other document may be served by the Company on any member or director either personally or by sending it through the post (by airmail where such service is available) in a prepaid letter addressed to such member or director at his registered address as appearing in the register of members or the Company's other records whether such address shall be within or outside Kenya. In the case of joint holders of a share, all notices shall be given to that one (1) of the joint holders whose name stands first in the register of members and notice so given shall be sufficient notice to all the joint holders.
131. Where a notice or other document is sent by post it shall be deemed to have been served at the expiration of seventy-two (72) hours after the day on which it was posted if addressed within Kenya and at the expiration of seven (7) days after the day on which it was posted if addressed outside Kenya and in the latter case any such notice or other document shall be dispatched by airmail. In proving such service or sending, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter or prepaid airmail letter.
132. A notice may be given by the Company to the persons entitled to any share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of the representative or trustee of such deceased or bankrupt member of any like description at the address supplied for the purpose claiming to be so entitled or by giving notice in the manner in which the same would have been given if the death or bankruptcy had not occurred.
133. Notice of every general meeting shall be given in the same manner hereinbefore authorised to every member, to every person upon whom the ownership of a share devolves by reason of his being a personal representative or trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting, to the directors of the Company and also to the auditors for the time being of the Company.

#### **WINDING UP**

134. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or in kind, the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, 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 trusts for the benefit of the members 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 whereupon there is any liability .



#### **INDEMNITY**

135. Every director, managing 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 any liability incurred by him in defending any proceedings, whether civil or criminal, relating to anything done or not done by him on behalf of the Company in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 402 of the Act in which relief is granted to him by the court and he shall not be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. This Article shall however only have effect in so far as its provisions are not avoided by Section 206 of the Act.

#### **ARBITRATION**

136. Whenever any disputes or differences arises between the Company on the one hand and any of the members, their executors, administrators or assigns on the other hand (hereinafter collectively referred to as “the Parties”) touching the true intent or construction or the incidents or consequences of these Articles or of the Act or touching anything then or thereafter done, executed, omitted or suffered in pursuance of these Articles or any claim on account of such breach or alleged breach, every such dispute or difference shall be referred to and determined by a sole arbitrator (“the Arbitrator”) such arbitration to be held in Nairobi.
137. The Arbitrator shall be appointed by agreement between the parties or in default of agreement by the Chairman for the time being of the Chartered Institute of Arbitrators (Kenya Branch).
138. The procedure to be followed shall be agreed by the Parties or in default by the Arbitrator.
139. In the event of default by either Party in respect of any procedural order made by the Arbitrator, the Arbitrator shall have power to proceed with the arbitration in the absence of that Party and to deliver his award.

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

SN.	Names, Addresses and Description of Subscribers	Number of Shares taken by each subscriber	Signature of Subscribers
1.	<p style="text-align: center;"><b>KENNEDY KIPNUSU</b></p> <p style="text-align: center;">BURUBURU UMOJA ROAD MAKADARA NAIROBI - KENYA</p>	950	
2.	<p style="text-align: center;"><b>ENNEA RAPHAEL KONGA</b></p> <p style="text-align: center;">P.O.BOX 34211 DAR ES SALAAM TANZANIA</p>	50	

Dated at Dar as salaam this 15<sup>TH</sup> Day of SEPTEMBER 2023

Witness to the above signatures:

**NAME:** Nyangi Georgia

Wambura

SIGNATURE:



**ADDRESS:**

P.O. Box 21487 - Dar es Salaam – Tanzania

**QUALIFICATION:** Advocate

