

**THE COMPANIES ACT 2002**

**(Cap. 212)**

**COMPANY LIMITED BY SHARES**

**Memorandum  
and**

**Articles of Association**

**of**

**MAGODA BAMBOO COMPANY LTD.**

**Incorporated this ..... Day of .....2016**

Drawn by:

.....  
**P.O Box ....**

.....  
**(Subscriber)**

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THE COMPANIES ACT 2002  
(CAP. 212)

COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF

MAGODA BAMBOO COMPANY LIMITED

1. The name of the company is **MAGODA BAMBOO COMPANY LIMITED**
2. The registered office of the Company will be situated in the **United Republic of Tanzania.**
3. The objects for which the company is established are:
  - a) To carry on the business of treating and processing bamboo plants.
  - b) To carry on the business of organizing bamboo workshops and bamboo plantation.
  - c) To carry on the business of furniture production, construction and construction materials.
  - d) To manage and train local and international individuals, institutions or organizations on treating and processing bamboo plant for community use purpose. This will involve training of local groups in various bamboo projects and its components under **MAGODA BAMBOO COMPANY LIMITED**'s training facility where they will be under the supervision of well trained personnel.
  - e) To carry on the business of clothing and designing various accessories using bamboo plant. This will also include the ownership of a clothing line production under **MAGODA BAMBOO COMPANY LIMITED** which will involve itself in the production of t-shirts, socks, bracelets, earring's, necklaces, robes and others.
  - f) To carry on business of distribution and exportation of processed and Manufactured bamboo product and construction materials
  - g) To build and manage bamboo product workshops over all located plantations.
  - h) To carry on the business of providing alternative energy to the community like building materials for waterwheels for hydropower.
  - i) To carry on the business of local foot bridges construction, Scaffolding construction and musical instruments.
  - j) To carry on the business of products and materials transport by using the Company's trucks or hired trucks within Tanzania and outside the country.
  - k) Performing construction, designing and bamboo treatment consultancy.
  - l) To carry on the business of Real estate
  - m) To establish and carry on the business of farming, renting land and buying land for large scale agricultural activities.

- n) To buy and rent land for small and large scale forestation activities.
- o) To carry on business of livestock keeping

4. The liability of the members is limited.

5. The Share Capital of the Company is Tanzanian Shillings Ten million (10,000,000/=) divided into 1000 shares of shs. 50, 000/= each with power for the Company to increase or reduce the said capital, and issue any part of its capital original or increased with or without any postponement or rights or to any conditions or restriction and so that unless the condition of issue shall otherwise expressly declare every issue of shares, whether declared by preference or otherwise, shall be subject to the power hereinbefore contained.

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

NAME OF ADDRESSEE	NO OF SHARES	SIGNATURE
SALUM MSHAMU P.O Box 31086 Plot/Block No. SNZ/SNE/791 Dar es Salaam +255 685 374 489	300	<i>Mshamu</i>
CATHERINE KAHABUKA P.O Box 31086 Plot/Block No. SNZ/SNE/791 Dar es Salaam +255 785 887 795	100	<i>Kahabuka</i>
THABIT M. BOMBWE P.O Box 31086 Plot/Block No. SNZ/SNE/791. Dar es Salaam +255 712 044 855	110	<i>Thabit M Bombwe</i>

Dated at Dar es Salaam this ..... day of .....2016

WITNESS TO THE ABOVE SIGNATURES

SIGNATURE \_\_\_\_\_

NAME *BUSARA MSHAMU*

POSTAL ADDRESS \_\_\_\_\_

QUALIFICATION *ADVOCATE*



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COMPANIES ACT 2002

(CAP. 212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MAGODA BAMBOO COMPANY LIMITED

PRELIMINARY

1. In these regulations:

"The Act" means the Companies Act, 2002;

"The Company" means MAGODA BAMBOO COMPANY LIMITED;

"The article" means the articles of the company;

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

"The holder" in relation to shares means the members whose name is entered in the register of members as the holder of the shares;

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

"Secretary" means the secretary of the company or any other person appointed to perform the duties of the secretary of the company.

When any provision of the Act is referred to, the reference to that provision is a reference to the provision as modified by any laws for the time being in force.

Unless the context otherwise requires, the expression defined in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company shall have the meaning so defined.

Any words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include females, and the words importing persons shall include bodies corporate, partnerships, firms, co-operative societies, etc.

Table A in the first schedule to the companies Act shall not apply to this Company.

## A PRIVATE COMPANY

2. The Company is a PRIVATE COMPANY and accordingly:-

- (a) The right to transfer shares is restricted in the manner hereinafter prescribed;
- (b) The number of Members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued to be Members of the Company) is limited to fifty PROVIDED THAT where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single Member.
- (c) Any invitation to the public to subscribe for any Shares or debenture of Company is prohibited.
- (d) The Company shall not have power to issue share warrants to bearer;

## SHARE CAPITAL AND SHARES

2. (i) Subject to the provision, if any, in that behalf of the Memorandum of Association, and without prejudice to any special rights previously conferred on the holders of the existing shares, any shares may be issued with such preferred, deferred or other rights or such restrictions whether in regard to the dividend voting, return of shares capital or otherwise as the company may from time to time by special resolution determine any preference share may, with the sanction of a special resolution, be issued on terms that it is or at the option of the Company is liable to be redeemed.  
  
(ii) The Share Capital of the Company is **ten million (10,000,000)** divided into **1000** ordinary shares of shs. **10,000/=** each
3. Shares of the company shall be under the control of the Board of Directors and shall be subject to provisions in that behalf of the Act and the Memorandum of Association and without prejudice to any special rights previously conferred on the holders of existing shares or class of shares, may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as Company may from time to time by special resolution determine and any preference share may, with sanction of a special resolution, issued on the terms that it is, or at the option of the Company is liable, to be redeemed.

4. 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 shares of the class) may be varied with the consent in writing of the holders of three-fourth of the issued shares of that class or with the sanction of an extra-ordinary resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply.
5. Every person whose name is entered as a member in the register of members shall without payment, be entitled to a certificate under the seal of the Company specifying the share or shares held jointly by several persons and the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
6. The Company shall be entitled to treat the person whose name appears upon the Register in respect of any share or shares as the absolute owner thereof and shall not be under any obligations to recognize any trust or equity or equitable claim to or partial interest in such share of shares whether or not it shall have express or other notice thereof.
7. If a share certificate is defaced, lost or destroyed it may be renewed on payment of such fee, if any, not exceeding one shilling, and on such terms if any, as evidence and indemnity as the Directors think fit.

## LIEN

8. (i) The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at fixed time in respect of that share, and Company shall also have a first and paramount lien on all shares standing registered in the name of any person for all monies presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.  
  
(ii) The lien hereby conferred shall attach to all shares registered in the name of any person indebted or under liability to the company, whether he is the sole registered holder be one of several joint holders.  
  
(iii) The Company lien, if any, on share shall extend to all dividends payable thereon.
9. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has alien, but no sale shall be made unless such sum in respect of which the lien exists in presently payable, not until the expiration of twenty-eight days after a notice in writing, stating and demanding payment of such as is presently payable, has been given to the registered holder for the time being of the shares.

10. For giving effect to any such sale the Directors may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the proceedings in reference to the sale.
11. The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue shall be held (subject to alike lien for sums not presently payable as existed upon the shares prior to the sale) by the Company on behalf of the person entitled to the shares at the date of the sale.

## CALL ON SHARES

12. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on its shares provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable at less than one month from the last call; and the member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on his shares. A call can be revoked or postponed as the Directors may determine. If at any time there shall be joint holders of a share, such joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
13. 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 at the rate of eight percent per annum from the day appointed for the payment thereof to the date of the actual payment, but the Directors shall be at liberty to waive payment of that interest wholly or in part.
14. The provisions of these regulations as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
15. The Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.
16. The Directors may if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for the advance become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in General Meeting six per cent); as may be agreed upon between the Member paying the sum in advance and the directors.

## TRANSFER AND TRANSMISSION OF SHARES

18. (i) Subject to the provisions hereinafter contained, the shares in the Company shall be transferable by written instrument in the common form hereunder provided signed by both the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of Members in respect thereof;
- (ii) Shares shall be transferred in the following form or in any usual or common form which the Directors shall approve:

MAGODA BAMBOO COMPANY LIMITED  
'I,.....of.....in  
consideration of the sum of Shs.....paid to me by  
..... of ..... (Hereinafter  
called "the Transferee") DO HEREBY TRANSFER to the said transferee the share (or  
shares) numbered..... in the undertaking called MAGODA BAMBOO  
COMPANY LIMITED to hold unto the said transferee, subject to the several conditions  
on which I hold the same, and I the said transferee, do hereby agree to take the said  
share(or shares) subject to the conditions aforesaid.

As witness our hands the .....day of .....20.....

Witness to the Signatures of etc....."

19. Save as is hereinafter provided, the Directors may in their absolute discretion decline to register any transfer of shares to a person of whom they do not approve not being already a Member of the Company, and may also decline to register any transfer of shares on which the Company has a lien.
20. The Directors may also decline to recognize any instrument of transfer unless:-
- (a) A fee not exceeding two shillings is paid to the Company in respect thereof;
  - (b) The instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
  - (c) The instrument of transfer is in respect of only one class of shares.
21. Should the Directors refuse to register a transfer of any shares, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

22. Shares in the Company shall be transferred to a person who is not a Member of the Company in the following manner:-

- (a) Except where the transfer is made pursuant to sub-article (g) hereof, the person proposing to transfer any share (hereinafter called a "proposing transferor") shall give notice in writing (herein after called a transfer notice") to the Company that he desires to transfer the same. Such notice shall specify the sum he fixes as the fair value, and shall constitute the Company his agent for the sale of the share (hereinafter called "the purchasing Member") at the price so fixed, or at the option of the purchasing member at the fair value to be fixed by the Auditor in accordance with Sub-Article (e) hereof. A transfer notice may include several shares. A Transfer notice shall not be revocable except with the sanction of the Board. The transfer notice shall constitute an offer for sale of the number of shares specified therein and the said offer shall be open for acceptance *in toto* by the purchasing member or members and not in respect of only some of the shares stated in the transfer notice.
- (b) The Board shall forthwith give notice to all the other members of the Company of the number of shares to be sold and the fair value fixed by the proposing transferor and invite each of them to state in writing within thirty days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said shares.
- (c) At the expiration of the said thirty days the Board shall allocate the said shares to or amongst the number of members who shall have expressed his or their willingness to purchase as aforesaid, and (if more than one) so far as may be necessary *prorata* according to the number of shares already held by them respectively PROVIDED THAT no member shall be obliged to take more than the maximum number of shares so notified by him as aforesaid.
- (d) If the company shall within the space of thirty days after being served with a transfer notice find a purchasing member and shall give notice thereof to the proposing transferor he shall be bound, upon payment of the fair value as fixed, to transfer the share to the purchasing member.
- (e) In case any difference arises between the proposing transferor and the Purchasing member as to the fair value of a share, the Auditor for the time being or the company shall on the application of either party, certify in writing the sum which, in his opinion, is the fair value and in so certifying the Auditor shall be considered to be acting as an expert, and not as in arbitrator; and accordingly the Arbitration Act, shall not apply.
- (f) If in any case the proposing transferor, after having become bound as aforesaid, make default in transferring the share the company may receive the purchase-money, and propose any one Director or the Secretary as his agent to execute a transfer of the share to the purchasing member, and upon the execution of such

transfer the company shall hold receipt of the company for the purchase money shall be discharged to the purchasing member, and after his name has been entered in the Register in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person

- (g) If the company shall not, within the space of thirty days after being served with a transfer notice, find a purchasing member and give notice in manner aforesaid, the proposing transferor shall at any time within six months after the expiration of the said thirty days be at liberty, subject to Article 20 hereof, to sell and transfer the share (or where there are more shares than one those offered) to any person whether he is a member of the company or not.

### FORFEITURE OF SHARES

23. If a member fails to pay any call or instalment of a call on the appointed day for payment thereof, the Directors may at any time thereafter during such time as any part of such call of 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 which may have accrued.
24. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
25. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect, and such forfeiture shall extend to any dividend in respect of any shares so forfeited not actually paid at the date of the said notice.
26. A forfeited share may be sold or otherwise disposed of on such terms and in such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as Directors think fit.
27. The member 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 moneys which, at the date of the forfeiture were presently payable by him to the Company in respect of the shares, but his liability shall cease, if and when the Company receives payment in full of the nominal amount of the shares.
28. A statutory declaration in writing that the declarant is a Director of the Company, and that a share in the company has been forfeited expropriated on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The company may receive the consideration if any, given for the share is sold or disposed of and shall not be bound to see to the application

of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture or expropriation, sale or disposal of the share.

29. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any such sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the shares, or by way of premium as if the same had been payable by virtue of a call duly made and notified.

### CONVERSION OF SHARES INTO STOCK

30. The company may by ordinary resolution convert any paid up shares into stock, and reconvert any stock into paid-up shares of any denomination.

31. 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 previously to conversion have been transferred, or as near thereto as circumstances admit, but the Directors may from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of the minimum but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

32. 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 meetings for 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 the dividends and profits of the Company) shall be conferred by any such part of stock as would not, if existing in shares, have conferred that privilege or advantage.

33. Such of the regulations of the company as are applicable to paid-up shares shall apply to stock, and words "share" and "shareholder" therein shall include "stock" and "stock holder" respectively.

### ALTERATION OF CAPITAL

34. The company may from time to time by special resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

35. Subject to any direction to the contrary that may be given by resolution sanctioning the increase of share capital, all new shares, shall before issue be offered to such persons as at the date of the offer are entitled to receive notice from the company general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted will be deemed

to have declined, and after the expiration of that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by person or persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article.

36. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, and forfeiture and otherwise as the shares in the original share capital.
37. The company may by Ordinary resolution:-
- (a) Consolidate and divide all or any of its shares capital into shares of larger amount than its existing shares;
  - (b) Sub-divide its existing shares, or any of them, into shares of smaller than is fixed by the Memorandum of Association, subject, nevertheless, to the provisions of Section 64 (1)(d) of the Act; and
  - (c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
38. The company may, by special resolution reduce its share capital in any manner and with, and subject to any incident authority, and consent required, by law.

## GENERAL MEETING

39. A General Meeting shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be determined by the Directors. In default of a General Meeting so held, a General Meeting may be convened by any one Member in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.
40. All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meeting.
41. The Directors may, whenever they think fit, convene an extra-ordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition, or in default, may be convened by such requisitions, as provided by Section 134 of the Act.

## NOTICE OF GENERAL MEETINGS

42. Subject to the provisions of Section 144(1) of the Act relating to Special Resolutions, twenty-one days notice of the least (inclusive of the day the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hours of meeting and, in case of special business, the General nature of the business shall be given in a manner, if any, as may be prescribed by the Company in General Meeting, to such persons as under the regulations of the Company, are entitled to receive such notice from the Company; but with the consent of all the members entitled to receive notice of some particular Meeting, that Meeting may be convened by such shorter Notice and in such manner as those members may think fit.
43. The accidental omission to give Notice of a meeting to, or the non-receipt of Notice of Meeting by, any member shall not invalidate the proceeding at any Meeting.
44. All business shall be deemed special that is transacted at an Extraordinary Meeting, and all that is transacted at the Annual General Meeting, with the exception of sanctioning a dividend, the consideration of the accounts balance sheets and the ordinary report of the Directors and Auditors, the election rotation, and the appointment and fixing of the remuneration of the auditors.
45. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business save as here in otherwise provided to members present in person or by proxy shall be a quorum.
46. If within half an hour from the time appointed for the meeting a quorum is not present, the Meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.
47. The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company.
48. If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting the remaining Directors (or alternate Directors as the case may be) shall choose one of their number to be Chairman of the Meeting.
49. The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting) adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment of the business to be transacted at an adjourned meeting.

50. At any General meeting a resolution put to the vote of the meeting shall be decided on a show of hands and a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact.
51. An Ordinary Resolution of the Company determined or without any General Meeting and evidenced by writing under the hands of all the Directors or sole Director and of members of the Company holding in the aggregate three-Fourths of the issued shares of the Company shall be as valid effectual as an Ordinary resolution dully passed at a General Meeting of the Company.

### VOTES OF MEMBERS

52. On a show of hands every Member present in person or by his proxy or authorized representative shall have one vote. On a poll every member shall have one vote for each share of which he is the holder.
53. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders, and for the purpose of seniority shall be determined by the order in which the names stand in the register of members.
54. A Member of unsound mind, or in respect of whom an order has been made by having jurisdiction in by his committee or *curator bonis*, appointed by the court, and any such committee, *curator bonis*, or other person may on a poll, vote by proxy.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in the Company have been paid.
56. On a poll votes may be given either personally or by proxy.
57. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or notarially certified copy, of the power or authority shall be deposited at registered office of the Company not less than forty-eight hours before the time for holding the meeting, or adjourned meeting taking of the poll at which the person named in the instrument proposed to vote, and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy may be in the following form, or in any other form which the Directors shall approve;

**MAGODA BAMBOO COMPANY LIMITED**

I ..... a member of MAGODA BAMBOO COMPANY LIMITED do hereby appoint ..... of ..... as my proxy to vote for me and on my behalf at the Annual/Extraordinary General Meeting or the Company to be held on the ..... day of ..... And at any adjournment thereof.

Signed this ..... day of .....  
(Signature of Member)

59. Any Corporation which is a member of the Company by resolution of its Director or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorized shall be entitled to exercise the same powers on behalf of the Corporation which he represents as the Corporation could exercise if it were an individual Member of the Company.

**BOARD OF DIRECTORS**

60. (a) Unless and until the Company in General Meeting shall otherwise determine the number of Directors shall not be less than two but not more than five.

(b) The under mentioned shall be the first Directors of the Company:

1. Salum Mshamu
2. Catherine Kahabuka
3. Thabit M. Bombwe

(d) The remuneration of Directors shall from time to time be determined by the Company in General Meeting.

(d) In addition to their usual remuneration, the Directors shall also be paid such travelling allowance and other expenses as may reasonably be incurred by them in the execution of their duties including any such expenses insured in connection with their attendance at meeting of Directors.

61. The subscribers to the memorandum of Association shall be the first Directors:

1. Salum Mshamu
2. Catherine Kahabuka
3. Thabit M. Bombwe

62. The remuneration of the Directors shall from time to time be determined by Company in General Meeting.

63. In addition to their usual remuneration the Directors shall also be paid such travelling, hotel and other expenses as may be reasonably incurred by them in the execution of their duties, including any such expenses incurred in connection with their attendance of meeting of Directors.
64. (a) Any Director may appoint another Director or any person who is approved by the Directors, to be his alternate, to act in his place at any meeting of the Directors at which he is unable to be present, such appointer, to exercise all rights and powers of a Director and to attend and vote at meeting of the Directors at which his appointer is not personally present and, where he is a Director, to have a separate vote on behalf of his appointer, in addition to his own vote. A Director may, at any time, revoke the appointment of an appointer alternate appointed by him. The appointment of an appointer alternate shall be revoked, *ipso facto*, if his appointer ceases for any reason to be a director.
- (b) Every appointment and revocation under this Article shall be effected by notice in writing under the hand of the appointer served on the Company and on such alternate.
- (c) The remuneration of an Alternate Director shall be payable out of the remuneration of his appointer and shall be such proportion thereof as shall be agreed between them.
- (d) An alternate Director whose appointer 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 Meeting of the Company as if he had been appointed a proxy of his Appointer under the provisions of these Articles.
- (e) The Director, by resolution, or when there is only one Director in addition to an absent Director who has appointed an alternative, such first mentioned Director by writing under his hand, may remove an alternate Director from office and a copy of such resolution or of such writing, as the case may be, shall be served forthwith upon such alternate Director and upon his appointer who may appoint another Alternative Director in terms of sub-clause (a) of this Article.
65. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.

## POWERS AND DUTIES OF DIRECTORS

66. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in getting up and registering the company, and may exercise all such powers of the company as are not, by the Act, or by these articles, required to be less, to the provisions of the Act and of these presents and to any regulations or provisions, as may be prescribed by the company from time to time in general meetings; but no regulation made by the company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
67. The Board of Directors may from time to time entrust to and confer upon the Managing Director or Manager all or any of the powers of the Directors (except the power to make calls, forfeit shares or issue debentures) that they may think fit but the exercise of all powers by the Managing Director or Manager shall subject to such regulations and restrictions as the Director may from time to time make and impose, and the said powers may at any time be withdrawn revoked or varied.
68. The Board of Directors shall cause minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the Directors;
  - (b) of all resolutions and proceedings at all meetings of the company and of the Directors and of committees of Directors; and every Director present at any meeting of Directors or Committee of Directors shall sign his name in a book to be kept for that purpose.

## DISQUALIFICATION OF DIRECTORS

69. The office of Director shall be vacated in any of the following events, namely:
- (a) if he resigns by writing under his hand left at the office;
  - (b) if he is punished with imprisonment for a term exceeding six months without the option of a fine;
  - (c) if he absents himself from the meeting of Directors for a continuous period of six months without special leave of absence from the Directors;
  - (d) if he becomes insolvent or assigns his estates for the benefit of his creditors or suspends payment or compounds with his creditors;
  - (e) if he is found to be a lunatic or becomes of unsound mind;

- (f) if he shall pursuant to the provisions of the Act be prohibited from acting as a Director;

## PROCEEDINGS OF DIRECTORS

70. The directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second vote.
71. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed, shall be two Directors present either personally or by their alternates.
72. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these articles as a quorum of Directors, the continuing Directors/Directors that may act for the purpose of increasing the number of Directors to that number, or summoning a general meeting of the company, but for no other purpose.
73. If at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the remaining Directors can appoint one among their number to be Chairman of the meeting.
74. The Directors may delegate any of their powers to Committees consisting of such members of their body as they think fit and any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on them by the Directors.
75. A Committee may elect a Chairman of their meetings, if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of them to be Chairman of the meeting.
76. A Committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by majority of votes of the members present, and in case of an equality of votes the matter in question shall be referred to the Board of Directors.
77. All acts done by any meeting of the Directors or of a Committee of Directors, or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

78. A written resolution signed by all the Directors or by all the members or a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Directors, or as the case may be, of such committee duly called and constituted. Such resolution may be contained in the document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

## SECRETARY

79. The Secretary shall be appointed by the Directors for such term at such terms, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.

80. No person shall be appointed or hold office as a Secretary who is:-

- (a) the sole Director of the Company; or
- (b) a corporation the sole director of which is the sole Director of the Company or
- (c) the sole Director of a Corporation which is the sole Director of the Company;

81. A provision of the Act or of these regulations requiring or authorizing a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

## DIVIDENDS AND RESERVES

82. The Company in General Meeting may declare dividends but no dividends shall exceed the amount recommended by the Directors.

83. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profit of the Company.

84. No dividend shall be paid otherwise than out of profits.

85. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of the shares in the Company no dividends may be declared and paid according to the amounts of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purpose of this Article as paid on the share.

86. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall at the discretion of the Directors, be applicable for meeting contingencies, or for equalizing

dividends, or for any other 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) as the directors may from time to time think fit.

87. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or in the case of joint holders to any one of such joint-holders, as the case may be, may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders, as the case may be.

88. No dividend shall bear interest against the Company.

### CAPITALIZATION OF RESERVES

89. (a) The Company in General Meeting may upon the recommendation of the Directors 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 or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution, and amongst the member 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 on cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the company to be allotted such members in the proportion aforesaid or partly in the one way, and partly in the other, and the Directors shall give effect to such resolution PROVIDED THAT a share premium account and a capital redemption reserve fund may, for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

(b) Whenever such resolutions aforesaid shall have been passed by the Directors shall make all appropriations and applications of the Undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debenture, if any, and generally shall do all acts and things required to give effect thereof, with full powers to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of share or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation or (as the case may require) for the payment 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

90. The Directors shall cause proper books of account to be kept with respect to:-

- (a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (b) All sales and purchase of goods by the company; and
- (c) The assets and liabilities of the Company. A proper book of accounts means such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

91. The books of accounts shall be kept at the registered office of the Company, or such other place or places as the Directors think fit and shall always be open to the inspection of the Directors.

92. The directors shall from time to time determine whether and to what extent and at times and places and under what company or any of them shall be open to the inspection of members not being Directors and no members (not being 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.

93. The Directors shall from time to time in accordance with Section 123 of the Act or any statutory modification thereof for the time being in force, cause to be prepared and to be placed before the company in General Meeting such profit and loss accounts, balance sheets and reports as are referred to in that Section.

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

95. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the company in general meeting, together with a copy of the auditor's report, shall not less than seven days before the date of the meeting be

sent to every member of, and every member of, and every holder of debentures for the company PROVIDED THAT this regulation shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one or the joint holders of any shares or debenture.

## AUDIT

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

## NOTICES

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

## THE SEAL

104. The Seal of the Company shall not be affixed to any instrument except by authority of a resolution of the Directors and in the presence of at least two Directors or a Director and the Secretary or such other person as the Directors may appoint for the purpose and those two Directors or Director and Secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

NAME OF ADDRESSEE	NO OF SHARES	SIGNATURE
SALUM MSHAMU P.O Box 31086 Plot/Block No. SNZ/SNE/791 Dar es Salaam +255 685 374 489	300	<i>Sal.</i>
CATHERINE KAHABUKA P.O Box 31086 Plot/Block No. SNZ/SNE/791 Dar es Salaam +255 785 887 795	100	<i>Kahabuka</i>
THABIT M. BOMBWE P.O Box 31086 Plot/Block No. SNZ/SNE/791. Dar es Salaam +255 712 044 855	110	<i>Thabit</i>

Dated at Dar es Salaam this ..... Day of.....2016

WITNESS TO THE ABOVE SIGNATURES

SIGNATURE .....

NAME *BISHARA MSHAMU* .....

POSTAL ADDRESS *2147A* .....

QUALIFICATION *ADVOCATE* .....

