

TANZANIA



Certificate of Incorporation

No. 48504

I HEREBY CERTIFY THAT

HIGHLAND HOLDING (TZ) COMPANY = =

Limited

is this day incorporated under the Companies Ordinance (Cap. 212) and that the Company is Limited.

Given under my hand at Dar es Salaam

this 23RD day of MARCH

TWO THOUSAND AND FOUR

Asst. Registrar of Companies

THE COMPANIES ORDINANCE

(CAP 212)

COMPANY LIMITED BY SHARES

Memorandum
and
Articles of Association
of
HIGHLAND HOLDING (TZ) COMPANY
LIMITED

— ..) .. —
Incorporated this day of 2004

— ..) .. —
DRAWN BY:

KATO, KASHONDA & MNGUTO ADVOCATES
P. O. BOX 76722
DAR ES SALAAM

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

**MEMORANDUM OF ASSOCIATION
OF
HIGHLAND HOLDING (TZ) LIMITED**

1. The name of the company is **HIGHLAND HOLDING (TZ) COMPANY LIMITED.**
2. The registered office of the company will be situated on the mainland of the United Republic of Tanzania.
3. The objects for which the company is established are: -
 - (a) To carry on business as farmers, grazers, planters, seed and oil merchants, millers, ginners, manufacturers, producers and country produce dealers and agents in the widest sense of those terms and more particularly to carry on business as rice, flour and oil millers and to buy, sell, grow, prepare for market, manipulate, import, export and deal in grain and other country produce.
 - (b) To carry on business of exports and imports, wholesalers and retailers, dealers in spare parts, motor vehicles, machinery, minerals, mining machinery and accessories, household appliances, computers and electronic equipment, furniture, light and heavy duty machinery, air-conditioning appliances, electrical goods and fittings, building materials and all items of all description as the company may deem fit.
 - (c) To carry on business as distributors, manufacturers, importers, manufacturers' representatives, exporters, repairers, buyers and sellers of agents for and dealers in merchandise of all kinds, goods and commodities as the Company may deem fit.
 - (d) To carry on the business of management advisors, industrial consultants, researchers, planners and advisors, to any company, corporate undertaking, firm, or individual, in the conduct of commercial, industrial, financial and other business undertakings.
 - (e) To carry on the business of mining including mining for gold, precious stones, gemstones, precious metals, base minerals and industrial minerals including any industrial and commercial activities in connection with the exploration and exploitation of mineral or metal deposits, and deposits of precious stones and gemstones of whatsoever nature, to undertake the running of plants for the exploitation and treatment of minerals and their by-products obtained, to purchase minerals and concentrates, to undertake experiments in the mining sector and to undertake geological and geophysical surveys and other activities

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connected to services and logistic support in the mining sector, to export, process, polish, cut and deal in gemstones, precious stones and other minerals.

- (f) To purchase, take on lease, or otherwise acquire lands, properties, licences, concessions, claims, grants or buildings, machinery, plants, rights and privileges and other things or effects whatsoever which may be required by the company in the search of ores and minerals, mining development or all other activities related to or auxiliary thereto.
- (g) To prospect, explore, open and work mines, to search, drill and sink shafts or wells, exploit, develop, raise, pump, dig, quarry, mine, treat, process, refine, prepare for market, transport, market or otherwise deal in all kinds of minerals and substances generally mined from or found on the land surface.
- (h) To carry on business as travel agents, tour operators, hoteliers, restaurant operators apartment and house keepers, caterers, food processors, food distributors, promoters and managers of clubs and societies (traveling, social, educational or otherwise) agents for tour operators of air, sea, land and inland waterway carriage undertakings, road transport owners, and hires and to promote the provision of facilities of every description, to carry on business as shipowners and carriers by sea, land, air and so far as may be deemed expedient, to carry on business of general merchants and to provide training education and development service in tourism and related fields, and other areas of interest related to the objects of the company.
- (i) To apply for, purchase or otherwise acquire any patents, licences, and the like, conferring on an exclusive or limited right to 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 calculated directly or indirectly to benefit the Company, and to use, exercise, develop, grant, licences in respect of, or otherwise, turn to account the rights and information so acquired.
- (j) To carry on all or any of the business of currency traders and dealers, credit card agents and underwriters, corporate finance analysts, and advisers, proprietors, financiers, concessionaires, commercial agents and advisers of commercial, and financial undertakings and enterprises, and in particular but without prejudice to the generality of the foregoing to act as money changers, foreign exchange dealers, Bureau de Change, and similar undertakings, consultants, general agents, managing agents, directors, secretaries, personnel agents, financial agents and technical advisers for any such undertaking or enterprise.
- (k) To conduct and deal in communication business, to run internet and multimedia services, purchase, take on lease, or otherwise acquire lands, properties, licences, concessions, claims, grants or buildings, machinery, plants, rights and privileges and other things or effects whatsoever which may be required by the company in

the search of ores and minerals, mining development or all other activities related to or auxiliary thereto.

- (l) To lend money, upon such terms as the company may think fit, to persons, companies or corporations having dealings with the company, or otherwise upon such security as shall be thought fit, or without security and to guarantee the performance of contracts by any such persons companies or corporations.
- (m) To advise, assist, promote, encourage or implement schemes for improvement of business methods or practice or for the expansion, amalgamation, development, diversification or reconstruction of enterprises and undertakings of all kinds and for such purpose to establish, provide, maintain, conduct, organize, equip or otherwise promote, assist or subsidize research facilities, stations, expeditions, laboratories and experimental workshop connected with or relevant to such enterprises and undertakings and to employ or otherwise acquire and pay experts, agents and other persons for or in connection with the same; to provide or contribute to the award of scholarships, prizes, grants or otherwise and generally to encourage, promote and read studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely directly or indirectly to assist, promote, enhance or render profitable such enterprises and undertakings.
- (n) To carry on business or trade of construction work of any kind and for the alteration, improvements, and demolition of any building or structure and to carry on the trade or business of civil, constructional, electrical, mechanical and precision engineering and in general to alter, repair, pull down and restore, either alone or jointly with any other persons, firms or companies, works of all descriptions including, but not limited to roads, bridges, warehouses, factories, mills, wharves, docks piers, godowns, dwelling houses, flats, hotels, safari and game lodges, water works, drainage and sewage works.
- (o) To act as agents, brokers or managers for any insurance company, club or association, or for any individual underwriter in connection with its or his insurance or underwriting business (whenever the same may be carried on) or any branch of the same and to make arrangements for all classes of insurance (including group, life accident, fire and pension fund scheme); and to enter into any agreement for any of the purposes of the said with any such company, association or underwriter.
- (p) To undertake recruitment and training of staff either on its own behalf or on behalf of any other and advise on the suitability of applicants based on their qualifications or general experience for any particular class of employment and to supply to any person, firm, corporation, government, local or other authority

personnel or every grade including those possessing of professional, technical or other specialist qualifications.

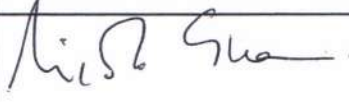
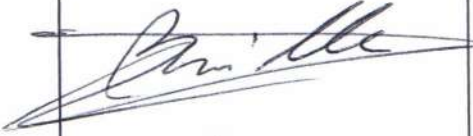
- (q) To appoint and remunerate any directors, trustees, accountants, engineers, administrators, managers or other experts or agents of or in connection with any company, business undertaking or assets.
- (r) To act as general agents, directors, bookkeepers, financial controllers or agents, registrars, secretaries, personal agents, advisers, consultants, technical agents to and for any undertaking or enterprise.
- (s) To undertake the office of trustees, receiver, liquidator, executor, administrator, committee, manager, attorney, delegate, substitute, treasurer, and any other office or situation of trust or confidence and to perform and discharge the duties and functions incidental thereto.
- (t) To carry on business of insurance, re-insurance and counter-insurance of all or any risks, and to undertake all kinds of re-insurance and counter-insurance connected with any of the business aforesaid.
- (u) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with the above objects, or calculated directly or indirectly to enhance the value of or render more profitable any of the company's property.
- (v) To purchase, take on lease or hire or otherwise acquire in Tanzania or elsewhere any movable and/or immovable property which shall include any right of occupancy, government lease and/or rights or interests in such movable and/or immovable property.
- (w) To develop, improve and utilize any land acquired by the company, or in which the company is interested, and lay out and prepare the same for building purposes, construct alter, pull down, decorate, maintain, fit up and improve buildings, roads, and conveniences, and to plant, pave drain, maintain, let on building agreement any such land, and advance money to, and enter into contracts and arrangements of all kinds with builders or tenants of and others interested in any such land.
- (x) To acquire and hold, but not to trade or deal in shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, whether in Tanzania or abroad.

- (y) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, and convert any such stocks, shares or securities as mentioned in the last preceding paragraph.
- (z) To apply for, purchase or otherwise acquire and protect and renew in any part of the world, any patents, patent rights, brevets d'invention, trade marks, designs, licence 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 directly or indirectly to benefit the company and to use, exercise, develop or grant license in respect of, or otherwise turn to account the property, rights or information so acquired, and to expend money in experimenting upon, testing or improving any such patents inventions or rights.
- (aa) To purchase or otherwise acquire or undertake the whole or any part of the business, assets and liabilities, including shares, stock, bonds debenture, mortgages deeds of bond and security or other obligations, or any or either of them, of any other company, corporation or person carrying on any business which possessed of any property or right suitable for the purposes of the company and to acquire the business of any company or corporation, if deemed expedient, by amalgamation with such company or corporation instead of by purchase in the ordinary way.
- (bb) To pay for any business or undertaking, or any property or rights acquired by the company, either in cash or shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any securities which the company has power to issue, or partly in one mode and partly in another any generally on such terms as the company shall determine.
- (cc) To sell the business or undertaking of the company or any part thereof including any shares, stocks, bonds, debentures, mortgages, deeds of bond and security or other obligations or securities, or any of them, patents, trade marks, trade names, copyrights, licences or authorities or any estate, rights, property, privileges or assets of any kind.
- (dd) To accept payment for the business or undertaking of the company or any part thereof, or for any property or rights sold or otherwise disposed of or dealt with by the company, either in cash, by installments or otherwise, or in shares or bonds of any company or corporation with or without deferred or preferred rights in respect of dividends or payment of capital or otherwise, or by means of a mortgage, or by debentures, debenture stock or mortgage debentures or bonds or any company or corporation, or partly in one mode and partly in another and generally on such terms as the company shall determine.

- (ee) To invest any moneys of the company and to hold, sell or otherwise deal with such investments and to receive moneys interest and/or dividend from such investments.
- (ff) To procure the company to be registered or recognized in any country or place outside Tanzania, to enter into arrangements for partnership, sharing profits, reciprocal concessions, co-operation or otherwise with any company, corporation or person having objects altogether or in part similar to those of this company, or carrying on or about to carry on any business capable of being conducted so as directly or indirectly to benefit this company.
- (gg) To enter into arrangements for profit-sharing with any of the Directors or employees of the company or of any company in which the company may for the time being hold a share or shares, to establish or support, or aid in the establishment and support of associations, institutions or conveniences calculated to benefit employees of the company or its predecessors in business or of any companies in which the company owns shares or the dependants or connections of such persons, and to grant pensions, allowances and gratuities to Directors or employees or their dependants and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object.
- (hh) To borrow or raise money in such manner as the company shall think fit, and in particular by the issue of debentures and/or debenture stock, perpetual or otherwise and to secure the repayment of any money borrowed, raised, or owing by mortgage, charge and/or lien; to secure and guarantee the performance by the company of any obligation or liability it may undertake.
- (ii) To draw, accept, endorse, discount, execute and issue bills of exchange, promissory notes, debentures and other negotiable or transferable instruments, to underwrite the shares, stock or securities of any other company and to pay underwriting commissions and brokerage on any shares, stock or securities issued by the company.
- (jj) To underwrite the shares, stock or securities of any other company and to pay underwriting commissions and brokerage on any shares, stock or securities issued by the company.
- (kk) To do all or any of the above things in any part of the world, and as principals, managing agents, contractors, trustees or otherwise, and by or through trustees, managing agents, agents otherwise and either alone or in conjunction with others.
- (ll) To do all such things as are incidental or conducive to the above objects or any of them.

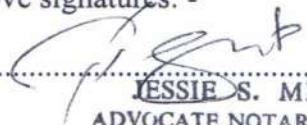
4. The liability of the members is limited.
5. The share capital of the company is Tanzania Shillings Twenty Million (Shs.20,000,000/=) divided into Two Thousand (2,000) shares of Ten Thousand Shillings (Shs.10,000/=) each, with power to increase the capital and to divide the shares in the capital for the time being into several classes, and to attach thereto any preferential, deferred, qualified or special rights privileges or conditions.

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

Names, Addresses and Description of Subscribers	Number of Shares Taken by each Subscriber	Signatures of Subscribers
NICOLA GHAUI P. O. BOX 113, IRINGA, BUSINESSWOMAN	50	
TOM DUVILLE P. O. BOX 113, IRINGA, BUSINESSMAN	50	
TOTAL	100	

Dated at Dar-Es-Salaam this day of 2004.

WITNESS to the above signatures: -

Signature: 
JESSIE S. MNGUTO
 ADVOCATE NOTARY PUBLIC &
 COMMISSIONER FOR OATHS
 P. O. Box 76722 D'SALAAM

Address: P. O. Box
 Qualification:

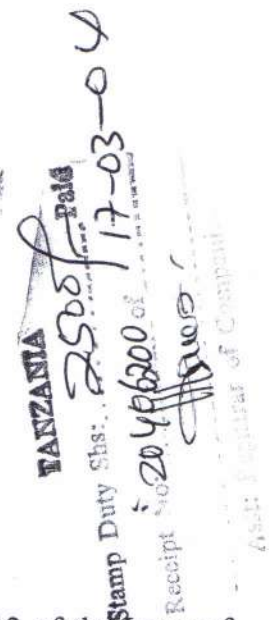


**THE COMPANIES ORDINANCE
(CHAPTER 212)**

COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF
HIGHLAND HOLDING (TZ) COMPANY LIMITED**

PRELIMINARY



1. In these presents, if not inconsistent with the subject or context:
- (a) "The Ordinance" means the Companies Ordinance Chapter 212 of the Laws of Tanganyika, as amended at the date at which these presents become binding on the company.
 - (b) "These presents" means these Articles of Association as originally framed and as from time to time altered by special resolution.
 - (c) "The Office" means the registered Office of the Company.
 - (d) "The Seal" means the Common Seal of the Company.
 - (e) "The Board" means the Board of Directors of the Company.
 - (f) "Month" means calendar month.
 - (g) "Year" means a year from the 1st January to the 31st December inclusive.
 - (h) "Paid up" means paid up or credited as paid up.
 - (i) "The Secretary" includes a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary of the Company.
 - (j) "Dividend" includes a bonus.
 - (k) Words importing the singular number only shall include the plural number and vice versa.
 - (l) Words importing the masculine gender shall include the feminine gender.
 - (m) Words importing persons shall include corporations.
 - (n) Expressions referring to writing shall be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in viable form.

Save the aforesaid, words or expressions contained in these presents shall, if not inconsistent with the subject, or context, bear the same meanings as in the Ordinance or any Statutory modification thereof in force at the date at which these presents become binding on the Company.

2. The regulations contained in Table A in the First Schedule to the Ordinance shall not apply to the Company.

PRIVATE COMPANY

3. 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 after the determination of such employment 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 the Regulation be treated as a single Member;
 - (c) the Company shall not have power to issue share warrants to bearer:
 - (d) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

SHARES

4.
 - (a) The original share capital of the Company is Shillings Twenty Million (Shs.20,000,000/=). Any shares of the original capital and any new shares may from time to time be issued with any such guarantee or any such right of preference, whether in respect of dividend, or repayment of capital or both, or any such other special privilege or advantage over any shares previously issued, or subject to any such provisions or conditions, and with any special right or limited right or without any right of voting, and generally on such terms as the Company may from time to time by special resolution determine.
 - (b) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the company 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 the Company may from time to time by extraordinary resolution determine.

5. Subject to the provisions of section 47 of the Ordinance, any preference shares may, with the sanction of an extraordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by extraordinary resolution, determine.
6. If at any time the share capital by reason of the issue of preference shares or otherwise 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, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these presents relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation of issue of further shares ranking *pari passu* therewith.
8. The Company may exercise the power of paying commissions conferred by section 44 of the Ordinance: Provided that the rate per cent of the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the rate of the commission shall not exceed the rate of 10 per cent, of the price at which the shares, in respect whereof the same is paid, are issued or an amount equal to 10 per cent, 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.
9. Except as required by law, no person shall be recognized 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 recognize (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 presents or by law otherwise provided) any other rights in respect of any share except absolute right to the entirety thereof in the registered holder.
10. Every person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares, or several certificates each for one or more of his shares, upon payment of Shs.1000/= for every certificate after the first or such less sum as the Board shall from time to time determine. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon: Provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
11. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of one thousand shillings (Shs.1,000/=) or such sum and on such terms (if any) as to evidence and indemnity and the payment of out-of pocket expenses of the company of investigating evidence as the Board thinks fit.

12. 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 security or otherwise, any financial assistance for the purpose of or in connection with, a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company, nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding Company, but nothing in these presents shall prohibit transactions mentioned in the proviso to section 46 (1) of the Ordinance.
13. The Company shall have a first and paramount lien on every share (not being fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares, (other than fully paid shares) standing registered in the name of a single person for all moneys presently payable by him or his estate 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 (if any) on a share shall extend to all dividends payable thereon.
14. The Company may sell in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists in presently payable not until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.
15. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
16. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any) shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

17. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall be payable at less than one month from the date fixed for payment of the last preceding call and each Member shall (subject to receiving at least fourteen days' notice specifying the time or time and place of payment) pay to the Company, at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.
18. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed, and may be required to be paid by installments.
19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
20. 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 8 per

cent per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

21. 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 payments at such rate not exceeding 8 per cent per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
22. 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.
23. The board may, if it thinks 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 such not exceeding 6 per cent per annum, as may be agreed upon between the Board and the Member paying such sum in advance.

TRANSFER OF SHARES

24. The instrument of transfer of any share shall be executed by or on behalf of the transferor who 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.
25. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by instrument in writing in any usual or common form, or any other form which the Board may approve.
26.
 - (1) A share may be transferred by a member or other person entitled to transfer to any member selected by the transferor; but save as aforesaid, and save as provided by Sub-articles (8) and (9) hereof, no share shall be transferred to a person who is not a member so long as any member is willing to purchase the same as the fair value (as determined pursuant to Sub-articles (2) and (6) hereof.
 - (2) Except where the transfer is made pursuant to Sub-articles (8) or (9) hereof, the person proposing to transfer any share (hereinafter called a "proposing transferor" shall give notice in writing (hereinafter called a "transfer notice") to the Company that he desires to transfer the same. Such notice shall specify the sum he fixes as the fair value, and shall constitute the Company his agent for the Company (or person selected as aforesaid) willing to purchase 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 Auditors in accordance with Sub-article (4) 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 opened 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.
 - (3) The Board shall forthwith give notice to all the other members of the Company of the number of the shares to be sold and the fair value fixed by the proposing transferor and invite each of them to state in writing within fourteen days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said shares.

- (4) Subject to Sub-article (2) of this Article, at the expiration of the said fourteen days the Board shall allocate the said shares to or amongst the member or members who shall have expressed his or their willingness to purchase as aforesaid, and (if more than one) so far as may be necessary pro-rata according to the number of shares already held by them respectively **PROVIDED THAT** no member shall be obliged to take more than the said maximum number of shares so notified by him as aforesaid.
- (5) If the Company shall, within the space of twenty-eight days after being served with a transfer notice thereof to the proposing transferor, he shall be bound, upon payment of the fair value as fixed in accordance with Sub-article (2) or (6) hereof, to transfer the share to the purchasing member.
- (6) 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 of the Company shall on the application of their party, certify in writing the sum which, in his opinion, is the fair value, and such sum shall be deemed to be the fair value and in so certifying the Auditor shall be considered to be acting as an expert, and not as an arbitrator; and accordingly the Arbitration Ordinance, shall not apply.
- (7) If in any case the proposing transferor, after having become bound as aforesaid, makes default in transferring the share the Company may receive the purchase-money, and the proposing transferor shall be deemed to have appointed any one Director or the Secretary as his agent to execute a transfer of the share to the purchasing member, and upon the execution of such transfer the Company shall hold the purchase money in trust for the proposing transferor. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member and after his name has been entered in the Register in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.
- (8) If the Company shall not, within the space of twenty-eight days after being served with a transfer notice, find a purchasing member and give notice in manner aforesaid, the proposing transferor shall at any time within three months after the expiration of the said twenty-eight days be at liberty, subject to sub-article (10) hereof, to sell and transfer the share (or where there are more share than one those not placed) to any person whether he is a member of the Company or not.
- (9) Any share may be transferred by a member to a child of other issue, son-in-law, daughter-in-law, father, mother, brother sister, nephew, niece, wife or husband of such member, and any share of a deceased member may be transferred by his executors or administrators to any child or other issue, son-in-law, daughter-in-law, father, mother, brother, sister, nephew, niece, widow or widower of such deceased member (to which such deceased member may have specifically bequeathed the same), and shares standing in the name of deceased member or his executors or administrators (if specifically bequeathed to any of the said relations) may be transferred upon any change of trustees to the trustees for the time being of such will, and the restriction in sub-article (1) hereof shall not apply to any transfer authorised by this sub-article.
- (10) The Board may refuse to register any transfer of a share, (a) where the Company has a lien on the share or (b) where the share intended to be transferred is not a fully paid share and the Board is of opinion that it is undesirable in respect of such share to admit the proposed transferee to membership.

27. The Board may also decline to recognise any instrument of transfer unless it 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, and the instrument of transfer is in respect of only one class of shares.
28. If the Board refuses to register a transfer it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferor notice of the refusal.
29. The registration of transfers may be suspended at such times and for such periods (not exceeding a total of thirty days in any year) as the Board may from time to time determine.

TRANSMISSION OF SHARES

30. In case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the legal person representatives of the deceased, where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
31. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Board shall, in either case have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by the Member before his death or bankruptcy, as the case may be.
32. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share.

All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

33. 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, before being registered as a member in respect of the shares, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, if the notice is not complied with within ninety days, the Board may therefore withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

34. If a member fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, together with any interest which may have accrued.
35. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
36. If the requirements on 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 Board to that effect.
37. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.
38. 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 the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
39. A statutory declaration in writing that the declarant is a Director or the Secretary of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on any sale or disposition thereof, and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of, and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
40. The provisions or these presents as to forfeiture 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 nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

41. The Company from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into shares of such amount as the resolution shall prescribe.
42. Subject and without prejudice to any rights for the time being attached to the shares of any special class, upon such terms and conditions and with such rights and privileges annexed thereto as the resolution creating the same shall prescribe, and, if no prescription is given as the Board shall direct, and in particular or qualified right to dividend and in the distribution of assets of the company and with a special or without any right of voting and may be preference shares which at the option of the Company are liable to be redeemed.

43. The Company may by the resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at premium or (subject to the provisions of section 48 of the ordinance) at a discount to all the holders for the time being of any class or classes in proportion to the number of such shares held by them respectively or make any other provisions as to the issue of the new shares. In default of any such direction or so far as the same shall not extend, the new shares shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons and on such terms it shall think fit.
44. Unless otherwise stated in the terms of the issue the new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission forfeiture and otherwise as the shares in the original share capital.
45. The Company may 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 existing shares or any of them, into shares of smaller amount than is fixed by the memorandum of association subject nevertheless, to the provision of section 51(1) (d) of the Ordinance;
 - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or be taken by any person.

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

BORROWING POWERS

46. The Directors may exercise all the powers of the Company to borrow any 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 or any debt liability or obligation of the Company or of any third party.
47. The board shall cause a proper register of charges to be kept in accordance with section 88 of the ordinance and shall duly comply with the requirements of section 79, 80 and 81 of the ordinance in regard to the registration of charges therein specified and otherwise.

GENERAL MEETING

48. The Company shall each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and no more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the company holds its first Annual General Meeting within the eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place, as the Directors shall appoint.

49. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
50. The Directors may, whenever they think fit, convene Extraordinary General Meetings and Extraordinary General Meetings shall also be convened on such requisition or in default, may be convened by such requisitionists as provided by section 114 of the ordinance. If at any time there are not within Tanzania sufficient directors capable of acting to form a quorum, any director or any two members of the Company, may convene as Extraordinary General Meeting in the same manner as early as possible as that in which meetings may be convened by the directors.

NOTICES OF GENERAL MEETINGS

51. An annual General Meeting and a Meeting called for the passing of a Special Resolution shall be called by twenty-one days' notice in writing at the least and a meeting of the company other than an Annual General meeting or a Meeting for the passing of a Special Resolution shall be called by fourteen days' notice in writing at the least. The Notice shall be exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given specifying the place, the day and hour of meeting and, in case of special business, the general nature of that business, and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in General Meeting, to such persons as are, under these presents, entitled to receive such notices from the company: Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in these presents be deemed to have been duly called if it is so agreed:-
- (a) In the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
 - (b) In the case of any other meeting by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent, in nominal value of the shares giving that right.
52. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an ordinary general meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Board and of the Auditors and the appointment of the Auditors.
53. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, two members present in person or by proxy shall be a quorum.
54. If within fifteen minutes 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 of the such other day and at such other time, and place as the Board may determine and if at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting it shall be dissolved.
55. The Chairman (if any) of the Board shall preside as Chairman at every general meeting of the Company or, if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the directors present shall choose one of their number to be Chairman of the meeting.

56. If at any meeting no director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the meeting.
57. 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 left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty 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 notice of an adjournment or of the business to be transacted at an adjourned meeting.
58. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or any Member present in person or by proxy. Unless a poll be so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution. The demand for a poll may be withdrawn.
59. Except as provided in Article 61, if a poll is duly demanded it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
60. In the case of an equality of votes, whether on a show of hands or a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall have a second or casting vote.
61. 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 as the Chairman of the Meeting directs but not later than ten days from the date the poll is demanded, and any business other than upon which a poll has been demanded may be proceeded with pending the taking of the poll.
62. Subject to provision of the Ordinance, a resolution in writing signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being incorporation by their duly authorised representatives) 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 document or in several documents in like form each signed by one or more of the member or duly authorized representatives concerned.

VOTES OF MEMBERS

63. Subject to any rights or restrictions for the time being attached to any class or class of shares, every member present in person or by proxy shall, on a show of hands, have one vote and on a poll have one vote for each share of which he is the holder.
64. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this

purpose seniority shall be determined by the order in which the names stand in the register of members.

- 65. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of had or on a poll, by his committee or other legal guardian appointed by that court, and any such committee or other legal guardian may vote by proxy.
- 66. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 67. 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.
- 68. 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, with under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.
- 69. The instrument appointing a proxy and the power of attorney or other authority, (if any), under which it is signed or a notorially certified copy of that power or authority shall be deposited at the office (or at such other place as is specified for that purpose in the notice convening the meetings) before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposed to vote, or in case of a poll taken subsequently to the date of a meeting before the time appointed for the taking of the poll, and in default the instrument or proxy shall not be treated as valid.
- 70. The instrument appointing a proxy shall be in the following form or such other form as the Board may approve:

"HIGHLAND HOLDING COMPANY (TZ) LIMITED

I / WE
being a member/members of the above-named company, hereby appoint
..... of..... or
failing him,of
.....
as my/our proxy to vote for me/us on my/our behalf at the ordinary or extraordinary, as the case
may be general meeting of the company, to be held on the day of
..... and at any adjournment thereof.

Signed this day of, 2"

- 71. Unless otherwise instructed the proxy will vote as he thinks fit.
- 72. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

73. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death, insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation of transfer as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATION ACTING BY REPRESENTATIVES AT MEETINGS

74. Any corporation (whether a company within the meaning of the Ordinance or not) which is a Member of the Company may, by resolution of its board of directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation exercise if it were an individual member of the company. A Corporation which is a member of the company will be deemed to be present in person by its representative duly authorised under this Article.

DIRECTORS

75. (1) The first Directors of the Company shall be:
- (i) **NICOLA GHAI**
(ii) **TOM DUVILLE**
- (2) Subsequent directors shall be appointed by the company in General Meeting but so that their number shall not be less than two nor more than six.
- (3) Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but the person so chosen shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
- (4) A Director shall not be required to hold any share qualification.
76. The remuneration of the Directors shall from time to time be determined by the company in General Meeting. Such remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or General Meetings of the company or in connection with the business of the company.
77. A director of the company may be or become a director or other officer of or otherwise interested in, any company prompted by the company or in which the company may be interested as shareholder or otherwise and no such director shall be accountable to the company for any remuneration or other benefits received by him as a director or officer of or from his interest in, such other company unless the company otherwise direct.

ROTATION OF DIRECTORS

78. At the first Annual General Meeting of the Company and at the Annual General Meeting in every subsequent year one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
79. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who become directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
80. A retiring director shall be eligible for re-election.
81. The Company at the meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default that retiring director shall if offering himself for re-election be deemed to have been re-elected unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such directors shall have been put to meeting and lost.
82. The Company may from time to time by ordinary resolution increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of office.
83. The directors shall have power at anytime, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with these presents. Any director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at such meeting.

POWERS AND DUTIES OF DIRECTORS

84. The business of the Company shall be managed by the directors, who may pay expenses incurred in promoting and registering the Company and may exercise all such powers of the Company as are not, by the ordinance or by these presents, required to be exercised by the Company in General Meeting subject, nevertheless, to any of these presents, to the provisions of the Ordinance and to such regulations being not inconsistent with the aforesaid regulations, or provisions, as may be prescribed by the Company in General Meeting abut 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.
85. The directors may from time to time, and at any time by power of attorney appoint any Company firm or persons, whether nominated directly or indirectly by the directors, to be attorney or attorneys of the Company for such purposes and with such powers authorities and discretion (not exceeding those vested in or exercisable by the directors under these presents) and for such period and subject to such conditions as they may think fit, protection and convenience of persons dealing with/such attorney as the directors may think fit and may also authorize any such authorities and directions vested in him.
86. The Company may exercise the powers conferred by section 33 of the Ordinance with regard to having an official seal for use abroad and those powers shall be vested in the directors.

87. The Company may exercise the powers conferred upon the Company by sections 104 to 107 (both inclusive) of the Ordinance with regard to the keeping of a branch register and the directors may (subject to the provisions) do so as they may think fit respecting the keeping of any such register.
88. (1) A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the directors in accordance with section 150 of the ordinance.
- (2) A director may vote as a director in regard to any contract or arrangement in which he is interested or upon any matter arising thereout and if he shall so vote his vote shall be counted and it shall be recorded that his arrangement is under consideration.
- (3) A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of directors for such period and on such terms (as to remuneration or otherwise) as the directors may determine, and no director or intending director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, arrangement entered into any or on behalf of the be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such director holding that office or the fiduciary relation thereby established.
- (4) Any director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorize a director or his firm to act as Auditor to the Company.
89. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted endorsed or otherwise executed, as the case may be, in such manner as the directors shall from time to time, by resolution, determine.
90. The directors shall cause minutes to be in books provided for the purpose:-
- (a) of all appointments of officers made by the directors,
 - (b) of the names of the directors present at each meeting of the directors and of any committee of directors;
 - (c) of all resolutions and proceedings at all meetings of the Company, and of the directors and of committee of directors;
- but it shall not be necessary for the directors to sign their names in the minute book.
91. The directors on behalf of the Company may pay gratuity or pension or allowance on retirement to any director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contribution to any fund and pay premiums for the purchase of provisions of any such gratuity, pension or allowance.

DISQUALIFICATION OF DIRECTORS

92. The office of director shall be vacated if the director: -
- (a) ceases to be a director my virtue of section 142 of the Ordinance; or
 - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) becomes prohibited from being a director by reason of any order made under "section 213 or 269 (4) of the Ordinance; or
 - (d) becomes of unsound mind; or
 - (e) resigns his office by notice in writing to the company; or
 - (f) shall, for more than six months, be absent without permission of the directors from meetings of the directors held during that period.

PROCEEDINGS OF DIRECTORS

93. The directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes, in case of an equality of votes, the chairman shall have a second or casting vote.
- A director may and the secretary, on the requisition of a director, shall at any time summon a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from Tanzania.
94. 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.
95. 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 presents as the necessary quorum of directors, the continuing directors or director may act for the purpose of increasing the number of directors to that number, or for summoning a General Meeting of the Company, but for no other purpose.
96. The directors may delegate any of their powers to committees consisting of such members of their body as they think fit; any committee so formed shall in the exercise of the powers delegated conform to any regulations that may be imposed on it by the directors.
97. A committee may elect a chairman of its meeting; if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be the chairman of the meeting.
98. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in the case of equality of votes the chairman shall have a second or casting vote.

99. All acts done at 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 director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if such person had been duly appointed and was qualified to be a director.
100. A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held. Such resolution may consist of two more documents in like form each signed by one or more of the directors or member of the committee concerned.

MANAGING DIRECTOR

101. The directors may, from time to time, appoint one or more of their body to the office of Managing Director for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A director so appointed shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of directors but his appointment shall be automatically determined if he ceases, from any cause, to be a director.
102. A Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the directors may determine.
103. The directors may entrust and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

ALTERNATE DIRECTORS

104. Any director may, at any time, appoint any director or other person to be an alternate director of the company in his place and may, at any time, remove from office any alternate director so appointed by him. An alternate director shall not be entitled as such to receive any remuneration from the company, but he shall be entitled to perform in the place of his appointor such of the functions of his appointor as a director of the company as his appointor shall, by instrument of appointment, prescribe. The same person may be appointed as an alternate director appointed for the purpose of directors. An alternate director appointed for the purpose of attending and voting at meetings of directors shall be entitled to receive notices of all such meetings and to attend and be counted in the quorum and vote at any such meeting at which his appointor is not present. An alternate director shall have a vote in respect of each appointor in whose place he is entitled to vote and (if himself a director) may exercise such vote or votes in addition to his own vote at a meeting; provided always that nothing in this Article shall enable the chairman or managing director to delegate to an alternate director any of the special powers or authorities vested in him by these presents or by the Board or shall enable more directors on behalf of the same appointor.

105. All appointments and removals of alternate directors shall be made by notice in writing signed by or on behalf of the director making or revoking such appointment; and every such notice shall be delivered or sent to the secretary or to the Registered office of the company and shall take effect from the time of receipt.

SECRETARY

106. The Secretary shall be appointed by the directors for such term, and such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.
107. No person shall be appointed or hold office as secretary who is: -
- (a) the sole director of the company ; or
 - (b) a corporation the sole director of which is sole director of the company; or
 - (c) the sole director of a corporation which sole director of the company.
108. A provision of the Ordinance or these presents requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or the same person acting both as director and as, or in place of, the secretary.

THE SEAL

109. The directors shall provide for the safe custody of the seal, which shall not be used without the authority of a resolution of the Board of Directors or a committee of the directors authorised by the directors in that behalf and every instrument to which the seal shall be affixed shall be signed by a director and the secretary or some other person appointed by the directors for the purpose.

DIVIDENDS AND RESERVE

110. The company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the directors.
111. The directors may, from time to time, pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.
112. No dividend shall be paid otherwise than out of profits.
113. The directors may, before recommending any divided, set out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the

directors, be applicable for any purpose to which the profits or the company, may be properly applied, and pending such application may at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward any profits which they may think prudent out to divide.

114. Subject to the right of persons, (if any) entitled to shares with special right as to dividend, all dividends shall be decanted and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank dividend as from a particular date such share shall rank for dividend accordingly.
115. The directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the company on account of call or otherwise in relation to the shares of the company.
116. Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular or paid up shares, debentures or debentures stock of any other company or in any one or more of such ways, and the directors shall give effect to such resolution, and where any difficulty arises in such distribution, the directors may settle the fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine of the value so fixed in order to adjust the rights of the parties, and may vest any such specific assets in trustees as may seem expedient to the directors.
117. Any dividend, interest or other money 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 be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipt for any dividend bonuses or their moneys payable in respect of the shares held by them as joint holders.
118. No dividend shall bear interest against the company.

ACCOUNTS

119. 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 matters in respect of which the receipt and expenditure takes place;
 - (b) All sales and purchases of goods by the company;
 - (c) The assets and liabilities of the company.

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

120. The books of accounts shall be kept at the office of the company, or at such other place as the directors think fit, and shall always be open to the inspection of the directors.
121. The directors shall from time to time determine whether and to what extent and at what time and places and under what condition or regulations the accounts and books of the company or any of them shall be open to inspection to a member not being directors and no member (not being a director) shall have any right of inspecting any account or book or document unless authorised by the directors or by the company in General Meeting.
122. The directors shall, from time to time, in accordance with sections 123 to 129 (both inclusive) of the Ordinance cause to be prepared and to be laid before the company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as referred to in those sections.
123. 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 Auditors' report, shall, not less than fourteen days before the date of the meeting, be sent to every member of, and every holder of Debentures, of the Company and to every person registered under Regulation 32. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or Debentures.

CAPITALISATION OF PROFITS

124. 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 accounts or to the credit of the profit and loss account or otherwise 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 not be 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 members respectively or paying up in full un-issued shares or debentures of the company to allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid or partly in the one way and partly in the other, and the directors shall give effect to such resolution, provided that a share premium Account and a Capital Redemption reserve Fund may for the purposes of this regulation, only be applied in paying up of unissued shares to be issued to members of the company as fully paid bonus shares.
125. Whenever such a resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profit resolved to be capitalised thereby, and all allotments and issues of fully-paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power 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 shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled hereto 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 up by the company on their behalf, by the profits resolved to

be capitalised, of the amounts remaining unpaid on their existing shares, and agreement made under such authority shall be effective and binding on all such members.

AUDIT

126. Auditors shall be appointed and their duties regulated in accordance with sections 132, 133 and 134 of the Ordinance.

NOTICES

127. 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, or (if he has no registered address within Tanzania) to the address, if any, within Tanzania supplied by him to the company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the letter would be delivered in the ordinary course of post.
128. A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder first named in the Register of members in respect of the share.
129. A notice may be given by the Company to the persons entitled to a 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 or representatives of the deceased, or trustee of the bankrupt, by any like description, at the address, if any within Tanzania supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
130. Notice of every General Meeting shall be given in any manner hereinbefore authorised to: -
- (a) Every member except those members who (having no registered address within Tanzania) have not supplied to the company an address within Tanzania for the giving of notices to them;
 - (b) Every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy would be entitled to receive notice of the meeting; and (c) the Auditor for the time being of the company;

No other person shall be entitled to receive notices of General Meetings.

WINDING UP

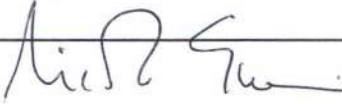

131. If the company shall be wound up the liquidator may, with the sanction of an Extraordinary Resolution of the Company and any other sanction required by the Ordinance, divide amongst the members in specie or kind, the whole or any part of the assets of the company (whether they shall consist of property 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 of different classes of members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability

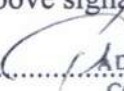
INDEMNITIES OF DIRECTORS

132. Every director or other officer of the company shall be entitled to be indemnified out of the assets of the company against all losses or liabilities which he may sustain or incur in/or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 345 of the Ordinance, in which relief is granted to him by the court, and no director or other officer shall 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. But this Article shall only have effect in so far as its provisions are not avoided by section 153 of the Ordinance.

Names, Addresses and Description of Subscribers	Number of Shares Taken by each Subscriber	Signatures of Subscribers
NICOLA GHAUI P. O. BOX 113, IRINGA, BUSINESSWOMAN	50	
TOM DUVILLE P. O. BOX 113, IRINGA, BUSINESSMAN	50	
TOTAL	100	

Dated at Dar-Es-Salaam this day of 2004.

WITNESS to the above signatures: -

Signature:  **JESSIE S. MNGUTO**
ADVOCATE NOTARY PUBLIC &
COMMISSIONER FOR OATHS
Address: P. O. Box P. O. Box 76722 D'SALAAM

Qualification: