

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

CONSOLIDATED TOURIST AND HOTELS INVESTMENT LIMITED

Incorporated this            day of            1988

Bob N Makani & Company  
Advocates  
P O Box 5487  
DAR ES SALAAM  
TANZANIA

THE UNITED REPUBLIC OF TANZANIA



## Certificate of Incorporation

No.

I HEREBY CERTIFY THAT

CONSOLIDATED TOURIST AND HOTELS INVESTMENT 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                      day of

One thousand nine hundred and



Registrar of Companies

906431 25.3.88  
95/6  
Companies

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION  
OF

CONSOLIDATED TOURIST AND HOTELS INVESTMENT LIMITED

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- 1 The Name of the Company is "CONSOLIDATED TOURIST AND HOTELS INVESTMENT LIMITED".
- 2 The Registered Office of the Company will be situated in Tanzania.
- 3 The objects for which the Company is established are:-
  - a) To invest in and carry on the business of hotels, restaurants, cafes, motels, holiday camps, apartment houses, cottages, and casinos.
  - b) To carry on the business of tour operators on its own or in conjunction with, or in partnership with any person or company whether local or foreign, and herein to ferry tourists local and foreign from one place to another, locally and neighbouring countries.
  - c) To establish and own in Tanzania companies or associations for the prosecution or execution of undertakings, works, agro-industrial projects or enterprises of any description whether private or public.
  - d) To act as Managers of or Managing Agents or Consultants to any company or person in Tanzania or elsewhere of any undertaking, works, project connected with hotels or tour operation.
  - e) To negotiate loans and finances locally and abroad for the purpose of promoting tour operation and hotel business and herein to act as financial advisors or agents of stockholders, suppliers and financiers. The said loans to be used by the Company or its subsidiaries or any other company, association or person.
  - f) To purchase, take on lease or in exchange, hire or otherwise acquire and hold lands, buildings and easements.
  - g) To transact agency business of all kinds and also to act as agents representatives and distributors for any person, firm, company, or corporation.

- h) To enter into hire purchaser agreements with customers of the Company and to negotiate, assign, mortgage or pledge such agreements for cash or otherwise or the payments due or rights accruing thereunder.
- i) To receive money on deposit and to lend and advance money to such persons or companies on such terms as the Company may think expedient and to guarantee performance by the Company of any obligation or liability it may undertake..
- j) To effect and maintain insurance on the life or lives of any director or directors and other officers or servants of the Company and any other persons in whose lives the Company has an insurable interest.
- k) To distribute any of the assets for the time being of the Company amongst its members in kind, and to stipulate for and obtain for its members or any of them any property rights privileges or options.
- ✓ l) To purchase or otherwise acquire, erect, maintain, reconstruct and adapt, any offices, workshops, mills, plant, machinery and other things found necessary or convenient for the purposes of the Company.
- m) To let on lease or on hire the whole or any part of the real and personal property of the Company on such terms as the Company shall determine.
- n) To borrow or raise money by the issue of debentures, debenture stock (perpetual or terminable), bonds, mortgages, or any other securities, founded or based upon all or any of the property and rights of the Company, including its uncalled capital, or without any such security, and upon such terms as to priority or other wise, as the Company shall think fit.
- o) To acquire by subscription, purchase or otherwise, and to accept and take, hold and sell, shares, or stock, in any company, society or undertaking, the objects of which shall, either in whole or in part, be similar to those of this Company, or such as may be likely to promote or advance the interest of this Company.
- p) To provide for the welfare of persons in the employment of the company or its predecessor business, and the wives, widows and families of such persons, by grants of money, pension or other payments, and by

providing or subscribing towards places of instruction and recreation and hospitals, dispensaries, medical and other attendance, and other assistance, as the Company shall think fit, and to form, subscribe to or otherwise aid benevolent, religious, scientific, National or other institutions or objects which shall have any moral or other claims to support or aid by the Company by reason of the nature or the locality of its operation or otherwise.

- q) To enter into and carry into effect any arrangement for joint working in business, or for sharing of profits, or for amalgamation, with any other company, or any partnership or person, carrying on business within the objects of this Company.
- r) To sell, dispose of, or transfer the business, property and undertaking of the Company, or any part thereof, for any consideration which the Company may see fit to accept.
- s) To carry on the trade or business of timber merchants, joiners furniture makers, manufacturers of wood and wooden articles of every description.
- t) To buy, sell and deal in property of all kinds and to develop the resources and turn to account the lands, buildings and rights for the time being of the Company in such manner as the Company may think fit.
- u) To carry on the business of whole sale and/or retail dealers in groceries, bread, flour, biscuits, farinaceous compounds, sweets, confectionery and the sale of other foods or articles which may be conveniently sold therewith.
- v) To carry on all or any of the business of dairymen, cheese, butter, eggs, pork-pie and sausage manufacturers and merchants, bacon curriers, poultry and livestock breeders, butchers, bakers, confectioners, refreshment contractors, farmers, grocers and general provisions merchants and dealers.
- w) To amalgamate or enter into partnership whether perpetual or terminable, for sharing profits, union of interest, joint adventure, reciprocal concessions of cooperation with any person, firm association or group of persons carrying on or engaged in or about to carry on or about to carry on or engage in or (in the case of a company) formed to carry on or engage in any business or transaction within the objects of this Company or any business transaction or cause of action which

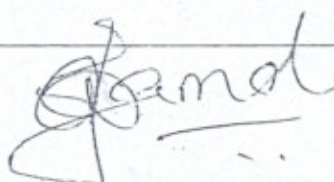
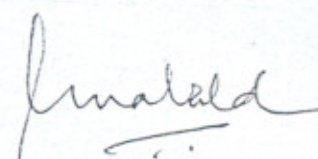
may seem to the company capable of being conducted so as directly or indirectly to benefit the company or to prevent or minimise apprehended loss, damage or cost to the company or to such person, firm, society, association or group of persons and to purchase, subscribe for or otherwise acquire and hold shares (fully or partly paid up) or stock in or security of, or to lend money, to guarantee the contracts of subsidise or otherwise assist any such person, firm, society, association or group of persons, and to sell, hold, re-issue with or without guarantee or otherwise deal with such shares, stock or securities.

- x) To buy, sell, manufacture, prepare for market and deal in foods and other products, goods, provisions, clothing, stores, drugs, medicinal and pharmaceutical preparations, tobacco, wines, beer, spirits, liquors of every description, and all conveniences or necessities of life which may be used or required for workmen or others employed by the company.
- y) To do all or any of the matters hereby authorised in any part of the world either alone or in conjunction with, or as factors, trustees or agents for, any other companies or persons, or by or through any factors, trustees or agents.
- z) Generally to do all such other things as may appear to be incidental or conducive to the attainment of the above objects or any of them.

4 The liability of the member is limited

5 The nominal capital of the Company is shillings five million (5,000,000/-) only divided into 5,000 shares of Shs. 1,000/- each, with the power for the Company to reduce or increase the same and to alter the value of the shares or to convert the same into stock and to issue shares at par or at a premium with preferential, deferred, qualified or special rights as the Company may determine.

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 opposite our respective names.

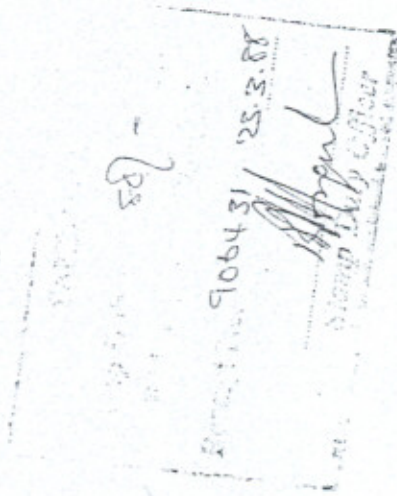
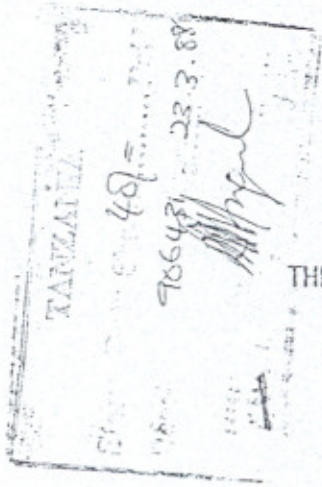
Names, Addresses and Description of Subscribers	Number of Shares Taken By Each Subscriber	Signature of Subscribers
1 A Jamal P O Box 1526 DAR ES SALAAM	ONE	
2 B Lema P O Box 1526 DAR ES SALAAM	ONE	

DATED THIS 1st day of February, 1988

Witness to the above Signatures:

BOB N MAKANI & COMPANY  
ADVOCATES  
P O BOX 5487  
DAR ES SALAAM  
TANZANIA





THE COMPANIES ORDINANCE (CAP.212)

\_\_\_\_\_  
COMPANY LIMITED BY SHARES

\_\_\_\_\_  
ARTICLES OF ASSOCIATION

OF

CONSOLIDATED TOURIST AND HOTELS INVESTMENT LIMITED

\_\_\_\_\_  
PRELIMINARY

- 1 The Regulations contained in the Table "A" in the First Schedule to the Companies Ordinance (Cap. 212) (such Table being hereinafter called "Table A"), shall apply to the Company save in so far as they are excluded or varied hereby, that is to say the Clause of Table "A" numbered, 11, 28, 34, 34, 59, 72, 78, 80, 82, and 102 shall not apply to this Company but, in lieu thereof, and in addition to the remaining Clauses of Table "A", the following shall be the regulations of the Company.

PRIVATE COMPANY

- 2 The Company shall be a private company and accordingly the following provisions shall have effect:-
  - a) The Company shall not offer any of its shares or securities to the public for subscription.
  - b) The number of the 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; shall not at any time exceed fifty.

- c) The transfer of shares in the Company shall be restricted in the manner hereinafter provided.
- 3 The Company shall be entitled to treat the person whose name appears upon the Register in respect of any share as the absolute owner thereof and shall not be under any obligation to recognise any trust or equitable claim to or partial interest in such share whether or not it shall express or other notice thereof.
- 4 The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company or for procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company at any rate not exceeding one per cent of the nominal amount of shares subscribed or agreed to be subscribed, or the subscription thereof is procured or agreed to be procured.

#### SHARES

- 5 The shares shall be under the control of the Directors, who may allot and dispose of or grant options over the same to such persons on such terms and in such manner as they think fit. Shares may be issued at par or at a premium and the Directors may at any time in their absolute discretion refuse to register any transfer of shares. Clause 13 of Table "A" shall be modified accordingly.
- 6 Any member or other person (hereinafter called the Holder) desiring to dispose of any shares shall intimate to the Secretary the number of such shares and the price at which he is willing to sell the same, and the Secretary shall then inform all other members of the proposed sale

and offer the said shares to the other members at the price named. Any member desiring to purchase shall notify the Secretary in writing, within one month from the date of such offer, of the number of shares which he is willing to purchase and, at the expiration of the said period, the Secretary shall give notice to the Holder of the number of shares which members of the Company are willing to purchase and shall allocate those 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, as far as may be pro rata according to the number of shares held by them respectively provided that no member shall be obliged to take more than the number of shares notified by him as aforesaid. Upon such allocation being made the Holder shall be bound, on payment of the price to transfer the shares to the purchaser or purchasers, and if he shall make default in so doing, the Secretary may receive and give a good discharge for the purchase money on behalf of the Holder and may enter the name of the Purchaser in the Register of Members as holder by transfer of the shares purchased by him. Any shares not sold and transferred within one month from the date of the notice of allocation may be sold by the Holder to any person not a member of the Company.

#### CALLS ON SHARES

- 7 The Directors may make a call or calls upon the members in respect of any money unpaid on their shares and each 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 may be made by instalments.

#### FORFEITURE OF SHARES

- 8 When any shares have been forfeited an entry shall forthwith be made in the Register of Members of the Company recording the forfeiture and the date thereof and as soon as the shares so forfeited have been sold or otherwise disposed of an entry shall also be made of the manner and date of the sale or disposal thereof.
- 9 The lien conferred by Clause 7 of Table "A" shall attach to fully paid-up shares and to all shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or one of several joint holders.
- 10 Any entry in the Minute Book of the Company of the forfeiture of any shares or that any shares have been sold to satisfy a lien of the company shall be sufficient evidence as against all persons claiming to be entitled to such shares that the said shares were properly forfeited or sold; and such entry and the receipt of the Company for the price of such shares shall constitute a good title to such shares and the name of the purchaser shall be entered in the Register as a member of the Company and he shall not be bound to see to the application of the purchase money, nor shall his title to the said shares be affected by irregularity or invalidity in the proceedings in reference to the forfeiture or sale. The remedy, if any of the former holder of such shares and of any person claiming under or through him shall be against the company and in damages only.

#### BORROWING POWERS

- 11 The Directors may raise or borrow for the purpose of the Company's business such sums of money as they think fit and may secure the repayment of or raise any such sum or

sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future, including its uncalled or unissued capital or by the issue at such price as they think fit of bonds or debentures, either charged upon the whole or any part of the property and assets of the Company, present and future, including its uncalled or unissued capital, or not so charged, or in such other way as the Directors may think expedient.

- 12 A Register of the holders of the debentures of the Company shall be kept at the Registered Office of the Company and shall be open to the inspection of the registered holders of such debentures and of any member of the Company, subject to such restrictions as the Company in General Meeting may from time to time impose. The Directors may close such Register for such period or periods as they may think fit, not exceeding in the aggregate thirty days in each year.

#### MEETINGS

- 13 The quorum for the transaction of business at any General Meetings shall be two third of the members personally present or represented by proxy, and clause 45 of Table "A" shall be modified accordingly.

#### VOTES OF MEMBERS

- 14 On a show of hands every member entitled to vote present in person, shall have one vote. On a poll every member entitled to vote shall have one vote for each share of which he is the holder.

#### DIRECTORS

- 15 a) The number of Directors shall be not less than two and not more than ten.

b) The first Directors shall be:-

- 1 A Jamal
- 2 B Lema

16 A Director shall not require any share qualification.

17 The quorum of Directors for transacting business shall unless otherwise fixed by the Directors, be two.

18 A memorandum in writing signed by all the Directors for the time being and pasted in or attached to the Minute Book shall be as effective for all purposes as a resolution of the Directors passed at a meeting duly convened, held and constituted.

19 A Director may, in addition to his directorship, be employed by and may hold any office or place of profit or otherwise under the Company (except that of Auditor) upon such terms as to remuneration and otherwise as the Directors may arrange. A Director of the Company may also accept office as a Director of any company promoted by the Company or in which the Company is interested, and may subscribe for or otherwise acquire shares in such company and shall not be accountable for any benefits received by him as a Director or member of such Company. A Director may act by himself or his firm in professional capacity for the Company and he or his firm shall be entitled to remuneration for his services as if he were not a Director.

20 A Director or intending Director shall not be disqualified by his office from entering into a contract or

agreement with the company either as vendor, purchaser, manager, agent, broker or otherwise and no such contract or arrangement entered into by or on behalf of the Company with any person, firm or company in which any Director shall be in any way interested, shall be avoided, nor shall any Director holding such office or so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding the office of Director or of the fiduciary relation thereby established. Any Director so contracting or being so interested as aforesaid shall disclose at the Board Meeting at which the contract or arrangement is determined upon the nature of his interest if his interest then exists, or in any other case at the first Board Meeting after the acquisition of his interest and a Director shall not as a Director vote in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so his vote shall not be counted, but this prohibition shall not apply to any contract by or on behalf of the Company to give to the Directors or any of them any security by way of indemnity or security for advances or to a settlement or set-off of cross-claims, and it may at any time or times be suspended or relaxed by a General Meeting and shall be so suspended and relaxed as long as and during any period in which the number of Directors does not exceed two. A general notice that a Director is a member of any specified firm or company and is to be regarded as interested in any transaction with such firm or company, shall be sufficient disclosure under this clause, and after such general notice it shall not be necessary to give any special notice relating to any particular

transaction with such firm or company as aforesaid.

- 21 Each Director may nominate a person who shall be unanimously approved of by the other Directors, to act as Alternate Director in his place during his absence or inability to act as such Director. Alternate Director shall not require any share qualification but shall be subject in all other respects to the terms and conditions existing with reference to the Directors of the Company, and such Alternate Director, when acting shall exercise and discharge all the duties and functions of the Director whom he shall represent and in the case of an Alternate Director being unable to act during the absence or inability to act of the Director whom he represents he may, with the like approval, appoint another person to act in his place.

#### DISQUALIFICATION OF DIRECTORS

- 22 The office of Director shall be vacated:-
- a) If he becomes bankrupt or insolvent or compounds with his creditors.
  - b) If he becomes prohibited from being a Director by order made under Section 213 or 209 of the Ordinance.
  - c) If he becomes of unsound mind or be found lunatic.
  - d) If he gives the Secretary notice in writing that he resigns his office.
  - d) If the Company by Extraordinary Resolution resolves to determine his appointment as Director.

But any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the Directors or an entry shall have been made in the Directors minute book stating that such Director has ceased to be a Director of the Company.

MANAGING DIRECTOR

- 23 The 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 (excepting 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 be subject to such regulations and restrictions as the Directors may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied.

SECRETARY

- 24 The Secretary shall be appointed by the Board for such terms at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

CAPITALIZATION OF RESERVES

- 25 Any General meeting may resolve that any money, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund, or any capital redemption reserve fund or in the hands of the Company and available for distribution be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised funds be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture

stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

#### WINDING UP

- 26 With the sanction of an Extraordinary Resolution of the members any-part of the assets of the Company, including any shares in or securities of other companies, may be divided among the members of the Company in specie, or may be vested in trustees for the benefit of such members, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any shares whereon there is any liability.

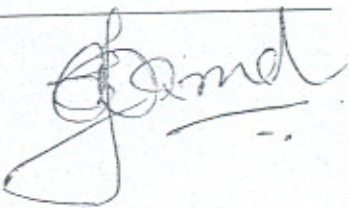
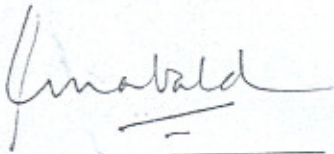
#### INDEMNITY

- 27 Subject to the requirements of Section 155 of the Companies Ordinance, Cap. 212 of the Laws of Tanganyika, 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 his duty, and no Director or other officer shall be liable for any loss which may be incurred by the Company in the execution of his officer or in relation thereto.

#### AMENDMENTS

- 28 Subject to the provisions of the Companies Ordinance and to those contained in the Memorandum of Association, the Company by a special resolution may make alteration or addition to these Articles of Association and any such alteration or addition so made shall be as valid and effectual as if originally contained in these Articles and be subject in like manner to alteration by special resolution.

51

Names, Addresses and Description of Subscribers	Number of Shares Taken Ban Each Subscriber	Signature of Subscribers
1 A Jamal P O Box 1526 DAR ES SALAAM	ONE	
2 B Lema P O Box 1526 DAR ES SALAAM	ONE	

DATED THIS 1st day of February, 1988

Witness to the above Signatures:

BOB N MAKANI & COMPANY  
 ADVOCATES  
 P O BOX 5487  
 DAR ES SALAAM  
 TANZANIA

