

THE COMPANIES ORDINANCE (CAP. 212)
COMPANIES LIMITED BY SHARES

*MEMORANDUM
AND
ARTICLES OF ASSOCIATION*

OF

BIBITI GINNERIES LIMITED

Incorporated this _____ day _____ 19 _____

DRAWN BY:
NASSOR ALLY
(SUBSCRIBER)
P.O. BOX 436
MWANZA

TANZANIA



Certificate of Incorporation

No. 29417.....

I HEREBY CERTIFY THAT

B I B I T I G I N N E R I E S

.....Limited

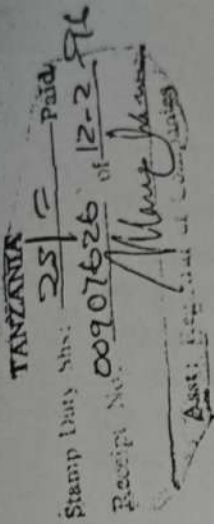
is this day incorporated under the Companies Ordinance (Cap. 212) and that the Company is Limited.

Given under my hand at Dar es Salaam

this 27th day of FEBRUARY

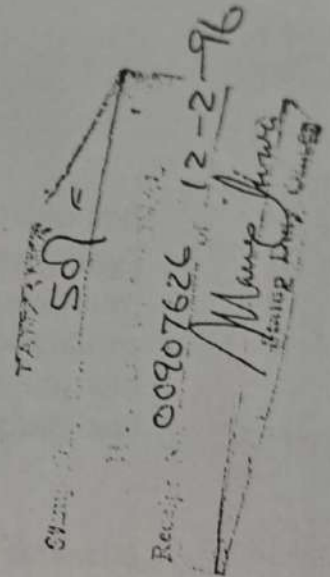
One thousand nine hundred and NINETY SIX

Asst: Registrar of Companies



THE COMPANIES ORDINANCE (CAP. 212)
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF

BIBITI GINNERIES LIMITED



1. The name of the company is "BIBITI GINNERIES LIMITED".
2. The Registered office of the company will be situate in Dar es Salaam, Tanzania.
3. The objects for which the company is established are:-
 - (a) To carry on the business of ginneries, growers, buyers and producers of cotton or other natural and/or fibrous substances and to prepare, mill or by any other process render marketable any such fibre and to sell, dispose of and deal in any such fibre, either in its prepared, processed or raw state, spinning, export and import.
 - (b) To found, develop, expand, establish or acquire cotton plantations and ginneries either alone or in collaboration with other organizations and to conduct and carry out any kind of research work calculated to advance any business or activity related to cotton growing and cotton processing.
 - (c) To acquire and undertake the whole or any part of the business, property and liabilities of any person, firm or company carrying on any business related to cotton production and cotton processing or possessed of property suitable for the purposes of this Company.
 - (d) To carry on the business of operators of cotton ginneries and to erect, purchase or take on lease or otherwise acquire any ginneries, works, machinery and other real and personal property pertaining to the goodwill of the business of cotton ginning.

- (e) To enter into any guarantee contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee the payment of any principal moneys, premium, interest and other moneys secured or payable under any obligations or securities and the payment of dividends and premium on, and the repayment of the capital of stocks and shares of all kinds and descriptions.
- (f) To lend money to, or grant or provide credit for financial accommodation to any person or company in any case in which such grant or provision is considered likely, directly or indirectly to further any of the objects of the Company or the interests of its members.
- (g) To invest and deal with the moneys of the Company not immediately required, in such a manner as may from time to time be determined.
- (h) To sell, exchange, let, develop, dispose of, Transfer or otherwise deal with the undertaking of the Company or any part thereof upon such terms and for such consideration as the Company may think fit.
- (i) To improve, manage, develop, exchange, mortgage, let, or rent or in consideration of a share of profits, either in money or kind or otherwise grant licences, easements and other rights of and over and in any manner dispose of the property and rights of the Company.
- (j) To establish, promote or otherwise assist any Company or Companies for the purpose of acquiring all or any part of the property of furthering any of the objects of this Company.
- (k) To issue or guarantee the issue of or the payment of interest or the shares, debentures, stock or other securities or obligations of this Company.

- (l) To borrow or raise or secure the payment of money and of any interest thereon in such a manner and on such terms as may be deemed expedient, and in particular by the issue at par or at a premium or discount of, debentures, or debenture stock either perpetual or terminable or by bonds, mortgages or any of the undertaking, property or rights of the Company both present and future including its uncalled capital, or without any such security.
- (m) To draw, accept and make and to endorse, discount and to negotiate bills of Exchange, cheques, promissory notes and other negotiable instruments.
- (n) To capitalize if and when deemed advisable the whole or part of the undivided profits of the Company and/or moneys standing to the credit of the Company's reserve fund and to distribute such sum either as bonus or in any other manner and either by way of shares credited as fully paid up or in such other manner as may seem expedient and whether amongst holders of shares in the Company or others.
- (o) To distribute any of the property of the Company among members in specie and either by way of dividends or upon any return of capital.
- (p) To provide for the welfare of persons in the Employment of the company, or formerly in the Employment of the company or its predecessors in 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.
- (q) To carry on, develop, extend and turn to account any trade business or operation whatsoever which can in the opinion of the company be advantageously or conveniently carried on by the company by way of extension of or in connection with all or any of the trade, business and operations which the company is authorized to carry on, or is calculated directly or indirectly to develop the company's business or to increase the value of or turn to account any of the company's assets, property or rights.



- (r) To do all or any of the matters hereby authorised in any part the United Republic of Tanzania either alone or in connection with or as, by a through factors, trustees or agents.
- (s) To carry out business of veterinary and medical drugs, Biological and vaccines and operate veterinary clinics and medical hospital.
- (t) 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.

AND it is hereby declared that in the interpretation of this clause the powers conferred upon the company by any paragraph shall not be restricted by reference to any other paragraph or to the name of the company or by the juxtaposition of two or more objects, or shall any of the aforesaid objects or powers be deemed subsidiary or auxiliary merely to the objects mentioned in the first of any other paragraph, save as is expressly provided, but so that the company shall have full power to exercise all or any of the powers confirmed by any part of this clause in any part of the United Republic and in the event of any ambiguity this clause and every paragraph hereof shall be construed in such a way as to widen and not to restrict powers of the company.

4. The liability of the members is limited.

5. The share capital of the company is Tanzania Shillings 10,000,000/= divided into 1000 ordinary shares each of shs. 10,000/= with such rights, privileges and conditions attached thereto as may from time to time be conferred by the regulations of the company with power to increase or reduce the said capital and to issue any part of its capital, original or increase with or without any preference, priority in special privilege.

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

Address Names, Addresses and Description	No. of Shares taken	Signature
NASSOR ALLY P.O. BOX 436 MWANZA	80	
MOHAMED ALLY P.O. BOX 436 MWANZA	20	

Dated at Dar es Salaam this...12TH... day of ...FEB...1996.

In Witness thereof:

Signature: 

Postal Address:
 D.S. Ngali Advocate
 P.O. Box 72349
 Dar - es - salaam

Qualification:



THE COMPANIES ORDINANCE (CAP.212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BIBITI GINNERIES LIMITED

PRELIMINARY

1. In these regulations:

"The Ordinance means the Companies Ordinance Chapter 212 of the laws of Tanzania.

- (a) "The office" means the Registered Office of the Company.
 - (b) "The Boards" means the Board of Directors of the Company.
 - (c) "The seal" means the common seal of the Company.
 - (d) "Month" means calendar month.
 - (e) "Year" means year from the 1st January to the 31st December, inclusive.
 - (f) "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.
 - (g) "Dividend" includes a bonus.
- When any provision of the Ordinance is referred to the reference in that provision as modified by any law for the time being in force

Stamp Duty Paid
 Receipt No. 00907626 of 12-2-96
 Mervyn Jimwa
 Assistant Registrar of Companies

TANZANIA

Stamp Duty Chs. 80/-

Receipt No. 00907626 12-2-96

Mervyn Jimwa
 Assistant Registrar of Companies

unless the context otherwise requires, the expressions defined in the Ordinance or any statutory modification thereof in force at the date at which these regulations become binding on the Company, shall have the meaning so defined.

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

The regulations of table 'A' in the First Schedule to the Companies Ordinance (hereinafter called Table 'A') shall apply to the Company, save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and in addition to substitution for or modification of the provisions of Table 'A' the following shall be the regulations of the Company.

1. 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 ordinary resolution determine.
2. Subject to the provisions of section 47 of the Ordinance, any preference shares, may with the sanction on an ordinary 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 special resolution determine.
3. At any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, 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 there shall apply but so that the necessary quorum shall be a person or persons holding or representing by proxy one - third of the issued shares of the class present in person or by proxy may demand a poll.

4. 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 or issue of further shares ranking paripassu therewith.
5. The company may exercise the powers of paying commissions conferred by section 44 of the Ordinance; provided that the rate per cent, or the amount of the commission part 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 (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.
6. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any shares 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 and absolute right to the entirety therefore in the registered holder.
7. Every person whose name is entered as a Member in the register of members shall be entitled, without payment, to receive within two months after allotment or lodgment 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.2,500/= for every certificate 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.

8. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of shs.2,500/= or such less 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.
9. The company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provisions 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 provision to section 46 (1) of the ordinance.

PRIVATE COMPANY

2. The Company is a Private Company and accordingly:-
 - (a) The right to transfer shares is restricted in manner hereinafter prescribed.
 - (b) The number of members of the Company (exclusive of persons who are in the employment of the Company and persons who having been formerly in the employment of the Company were 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 this regulation to be treated a single member.

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

TRANSFER OF SHARES

3. The Directors may in their discretion and without assigning any reason thereof refuse to register the transfer of any share to any person whom it shall in their opinion be undesirable for any reason whatsoever to admit to membership.

4. Subject to Clauses 2 and 3 hereof the right to members to transfer their shares shall be restricted as follows:

- (a) No share shall be transferred to a person who is not a member so long as any person selected by the Directors as one who it is desirable in the interest of the Company to admit to Membership.
- (b) Every shareholder or trustee in bankruptcy, or any person who may desire to sell or transfer any such share and every personal representative of a deceased shareholder shall give notice in writing to the Directors that he desires to make such transfer. Such notice shall constitute the Board of Directors of any member of members of the Company at a price to be agreed upon between the party giving such notice and the Board, or in case of difference to be determined by the Auditor of the Company.
- (c) Upon price of such shares being agreed on or determined as per clauses (b) above, the Board shall forthwith give notice to such of the shareholders other than the shareholders desiring to sell or transfer the said shares stating the number and price of such shares inviting the person to whom notice is sent to state within 21 days from the date of which notice whether he is willing to purchase any, if so what maximum number of such shares. At the expiration

of such 21 days' notice the Board shall apportion such shares amongst the shareholders (if more than one) who shall have expressed their desire to purchase the same and as far as may be pro-rate according to the number of shares already held by them respectively, or if there be only one such shareholder the whole of such share shall be obliged to take more than the maximum of such shares stated in his answer to the said notice.

Upon such apportionment being made or such one shareholder notifying his intention to purchase, as the case may be bound upon payment of the said price to transfer the shares to the respective shareholders or to the single shareholder who shall have agreed to purchase the same.

GENERAL MEETINGS: NOTICE OF GENERAL MEETINGS AND PROCEEDINGS AT GENERAL MEETINGS

Articles 39 to 53 to Table 'A' shall apply subject to the following variations:

- (a) A general meeting, ordinary or extraordinary may with the consent in writing of all members, be convened on a shorter notice than seven days or without notice.
- (b) Two members, present either personally or by proxy shall form a quorum.
- (c) Any ordinary resolution of the Company determined without any general meeting and evidenced by writing under the hands of majority of the Directors and of the members of the Company holding three-fourths of issued shares of the Company shall be valid and effectual as an ordinary resolution duly passed at a general meeting of the company.

DIRECTORS

6. (a) Until determined by the Company in general meeting the Directors shall not be less than two and not more than seven in number.
(b) The following persons shall be the first Directors to the Company:
 - (1) NASSOR ALLY
 - (2) MOHAMED ALLY
7. The share holding qualification for Directors may be fixed by the Company in general meeting, and unless and until so fixed to qualification shall be required.
8. The quorum of Directors for transacting business shall, unless otherwise fixed by the Directors, be two.
9. A resolution in writing signed by all the Directors then in Tanzania shall be valid and effectual as if it had been passed at a meeting of Directors fully called and constituted.
10. The Directors may from time to time borrow or raise any moneys for the purpose of the Company which may exceed the issued share capital of the Company.

BORROWING POWERS

11. The Directors may raise or borrow for the purpose of the Company's business any sum or sums of moneys as they think fit and they may secure the repayment of or raise any such sum or sum 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 may think fit, of bonds or debentures, either charged upon the whole or any part of the property and assets for the company, or not charged, or in such other way as the Directors may think expedient.

ALTERNATE DIRECTORS

12. Each Director may nominate a person, who shall be approved of in writing by the other Directors, to act as alternate in his place during his absence from Tanzania or inability to act as such Director. Such Alternate Director shall exercise and discharge all the duties and functions of the Directors whom he represents and in the case of an Alternate Director being unable to act during the absence or inability to act as the Director whom he represents he may subject to the like approval of the other Directors appoint a duly qualified person to act in this place.

SECRETARY

13. 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.

WINDING UP


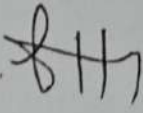
14. With the sanction of the special resolution of the Shareholders any part of the assets of the Company including any share in other Companies may be divided between the members of the Company in specie or may be vested in Trustee for the benefit of such members and the liquidation of the Company may be closed and the Company dissolved but so that no member shall be compelled to accept any shares whereupon there is any liability.

INDEMNITY

15. Every Director, Managing Director, Agent, Auditor, Secretary and other office for the time being of the Company against any liability incurred by him in defending any Proceedings, whether civil or criminal, in which judgement is given in his favour or is in connection with any application (under Section 245 of the Ordinance) in which relief is granted to him by the Court.

ALTERNATION OR ADDITIONS

16. Subject to the provisions of the Ordinance and to those contained in the Memorandum of Association of the Company may be special Resolution make alternations or addition to the Articles of Association and any such alternation 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.

Names, Addresses and Description	No. of Shares Taken	Signature
NASSOR ALLY P.O. BOX 436 MWANZA	80	
MOHAMED ALLY P.O. BOX 436 MWANZA	20	

DATED at Dar es Salaam this 12TH day of FEB 1996.

SIGNATURE: 

POSTAL ADDRESS: D.S. Ngalo Advocate
P.O. Box 72349
Dar - es - Salaam.

QUALIFICATION:

