

REPUBLIC OF UGANDA
Companies Act (Cap 106)
COMPANY LIMITED BY SHARES

MEMORANDUM AND ARTICLES OF ASSOCIATION
OF
CHAAPA INNOVATIONS LIMITED

Dated this 02nd day of SEPT 2025

REPUBLIC OF UGANDA

Companies Act (Cap 106)

MEMORANDUM OF ASSOCIATION

OF

CHAAPA INNOVATIONS LIMITED

1. The name of the Company is CHAAPA Innovations Limited.
2. The registered office of the company shall be situated in the Republic of Uganda, and the Board of Directors may establish branches or agencies, whether in Uganda or any other country.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
 - i) To aggregate, invest and grow money and any other assets of any kind for the benefit of the Company, its members, shareholders and partners.
 - ii) To aggregate capital for any of the purposes of the Company, and to appropriate any of the Company's assets to specific purposes, either conditionally or unconditionally, and to admit any class or section of those who have any dealings with the Company to any share in the profits thereof or in the profits of any particular branch of the Company's business or to any other special rights, privileges, advantages or benefits.
 - iii) To carry on the business of an investment company and to act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
 - iv) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consulting services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.

- v) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.
- vi) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors of the Company capable of being conveniently and lawfully carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors or the Company likely to be profitable to the Company.
- vii) To promote and aid in promoting, constitute, form or organise companies, syndicates or partnerships of all kinds for the purpose of acquiring and undertaking any property and liabilities of the Company, or of advancing directly or indirectly the objects thereof, or for any other purpose which the Company may think expedient.
- viii) To design, establish and operate training, business and innovation centres, including through developing partnerships and joint ventures with other entities or enterprises.
- ix) To invest in the development of and operate commercially viable sports businesses, including but not limited to the development of sports infrastructure, manufacturing and selling of sports equipment, providing coaching services, events management and marketing.
- x) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licenses, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.
- xi) To acquire, hold, manage, lease, sell, mortgage, or otherwise deal with land or any other property, whether movable or immovable, by way of purchase, donation, grant, lease or any other lawful means, and to dispose of such property or any part thereof in such manner as may be deemed fit for the advancement of the objectives of the Association.
- xii) To carry out commercial, trading and any other business, directly or through the establishment and operation of special purpose business and investment vehicles, for the benefit of the members, shareholders and partners.

- xiii) To provide and undertake consultancy and advisory services in areas of expertise and interest to the Company.
- xiv) To seek viable business ventures with potential partners in Uganda and overseas who have proven business acumen and reputation in any business areas of interest to the Company.
- xv) To transact business as financiers, promoters and financial and monetary agents in any part of the world and for such purposes to establish agencies, and to appoint financial and managing agents and attorneys and to produce the Company to be registered and recognized.
- xvi) To lend and advance money or give credit to any person or company; to guarantee and give guarantee or indemnities for the payment of money or the performance of contracts obligations by any person or company; to secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company; and otherwise to assist any person or company.
- xvii) To invest the moneys of the Company not immediately required by it upon such securities and in such manner as it may from time to time determine or in pursuance to its objects as it thinks fit.
- xviii) To carry out all or any of the objects of the Company and do all or any of the above things in any part of the world and either as principal, agent, contractor, or trustee, or otherwise, and by or through trustees or agents or otherwise, and either alone or in conjunction with others.
- xix) To enter into any arrangement with any governments or authorities, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them, and to obtain from any such governments or authority any rights, privileges and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- xx) To make contributions and donations and in any other manner to give aid assistance and help to any person, firm, company, association, society or other body or party for any whatsoever object or purpose and to establish and or support or to aid in the establishment and or support of and to make donations or subscription to or to subsidise any whatsoever association, fund, institution, place of worship, school, society or any other body.
- xxi) In the interpretation of this Memorandum of Association in general and of this Clause 3 in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers

and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

- xxii) Except as prohibited or limited by law, the Company shall have full power and authority to carry out any object and shall have and be capable of, from time to time and at all times exercising any and all of the powers at any time or from time to time, exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, and the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company.
- xxiii) To do all such things as may be considered coincidental or conducive to the above objects or any of them.
4. No resolution to add to or alter or amend any provisions of the memorandum or articles of association of the Company for the time being in force shall be valid unless passed with 51 per cent of the members entitled to vote at a general meeting and who are either present in person or voting by proxy at the meeting at which such a resolution is passed.
5. The liability of each member of the Company is limited.
6. The capital of the Company is Uganda Shillings One Hundred Million Only (UShs.100,000,000) divided into 100,000,000 shares of Ushs.1 per share with power of the Company to increase or reduce the said share capital. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.
7. Subject always to the respective rights, terms and conditions mentioned in Clause 6 hereof, the Company shall have power to increase or reduce the capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preferential rights or privileges, or subject to any special terms or conditions and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Company.

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

SN	NAMES, ADDRESSES AND OCCUPATIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURES OF SUBSCRIBERS
1	MBARARA HIGH SCHOOL OLD BOYS ASSOCIATION, 1347 BULABIRA FLATS LANE (OFF BULABIRA ROAD), NAJJERA 1, KIRA TC, WAKISO DISTRICT, UGANDA	1,000,000	<i>Heus</i>
2	TUMUSHABE GODBER WILSON, P.O BOX 167183, KAMPALA. (LAWYER)	88,000	<i>Tumushabe Godber Wilson</i>
3	MUKALAZI DEUS MUBIRU, P.O BOX 1134, MBARARA. (LAWYER)	70,000	<i>Heus</i>
4	TUSHABE BRUCE, P.O BOX 31762, KAMPALA. (SOCIAL WORKER)	57,000	<i>Tushabe Bruce</i>
5	KABIGUMIRA JACOB, P.O BOX 167183, KAMPALA. (ACCOUNTANT)	30,000	<i>Kabigumira Jacob</i>
6	MUGUME JAMES MUHWEZI, P.O BOX 167183, KAMPALA. (ACCOUNTANT)	25,000	<i>Mugume James Muhwezi</i>
7	BAINOMUGISHA OBED, P.O BOX 167183, KAMPALA (ACCOUNTANT)	22,000	<i>Bainomugisha Obed</i>
8	NASASIRA DIFASI, P.O BOX 600022, KAMPALA. (ACCOUNTANT)	20,000	<i>Nasasira Difasi</i>
9	TINDIWENSI DAN, P.O BOX 4531, KAMPALA. (ENGINEER)	28,000	<i>Tindiwensi Dan</i>
10	MUHEREZA EDWIN, P.O BOX 34565, KAMPALA. (LAWYER)	18,000	<i>Muhereza Edwin</i>
11	TWINAMATSIKO GODFREY, P.O BOX 507, KAMPALA. (BANKER)	18,000	<i>Twinamatsiko Godfrey</i>
12	AKABWAY STEPHEN, P.O BOX 1337, KAMPALA. (ACCOUNTANT)	18,000	<i>Akabay Stephen</i>

REPUBLIC OF UGANDA**Companies Act (Cap 106)****ARTICLES OF ASSOCIATION****OF****CHAAPA INNOVATIONS LIMITED****PART 1 – PRELIMINARY**

1. The Company is a PRIVATE COMPANY and accordingly the right to transfer shares is restricted in the manner hereinafter prescribed.
2. The number of members of the company (exclusive of persons who are in the employment and have continued to be members of the company) is limited to one hundred provided that where two or more persons hold one or more shares in the company jointly they shall for the purpose of these Articles be treated as a single member.
3. The regulations contained in Table "A" of the first schedule to the Companies Act, shall apply to the company in so far as they are applicable to a Private Company subject to the modifications herein contained.
4. In these Articles if not inconsistent with the objects of the company and the Companies Act, the following words shall bear the meaning ascribed to them:
 - i) "Act" means the Companies Act Cap 106.
 - ii) "Company" means Chaapa Innovations Ltd except the context in which the word is used requires otherwise.
 - iii) "Seal" means the common seal of the Company.
 - iv) Secretary means any person appointed to perform of duties of secretary of the Company.
 - v) Unless it appears otherwise from the context:
 - (a) words importing the singular number shall include the plural number and vice versa.
 - (b) words importing the masculine gender only shall include the feminine and neutral gender.

- (c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;
 - (d) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
 - (e) the words “month” and “year” shall refer to a calendar month and a calendar year respectively; and
 - (f) the expression “at any time” means at any time or times and includes for the time being and from time to time.
5. Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.
6. Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Act or any statutory modification of the Act in force at the date at which these articles become binding on the company.

PART II – SHARE CAPITAL AND VARIATION OF RIGHTS

Authorized share capital

- 7. The authorised share capital of the Company is Ushs.100,000,000 divided into 100,000,000 shares of Ushs. 1 each.
- 8. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject to the Act or any other applicable law, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors, subject to any ordinary resolution of the Company, may determine.
- 9. No shares shall be issued at a discount except in compliance with the provisions of the Act.
- 10. The rights attaching to shares of a class other than ordinary shares, shall be expressed in these Articles.
- 11. No issue of shares shall be made without the prior approval of the members of the Company in general meeting.
- 12. No Director shall participate in a share scheme for employees unless the members in general meeting have approved of the specific allotment to be made to such Director and he holds office in the Company in an executive capacity.

13. The holder of a preference share shall be entitled to the same rights as a holder of an ordinary share in relation to receiving notices, reports and audited accounts and attending general meetings of the Company. The holders of preference shares shall also have the right to vote in each of the following circumstances:
- i) on a proposal that affects the rights and privileges attached to the preference shares;
 - ii) when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months;
 - iii) on a proposal to reduce the Company's share capital;
 - iv) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
 - v) on a proposal to wind up the Company; and
 - vi) during the winding up of the Company.
14. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or unit of share (except only as by these Articles or by law or pursuant to an order of court otherwise provided) any other rights in respect of any share except in an absolute right to the entirety thereof in the registered holder of the share.
15. Shares may be registered in the name of an incorporated company or other corporate body but not in the name of a minor or a person of unsound mind or who is insolvent or in the name of any firm or partnership.
16. In relation to the transfer of shares, the Company is empowered to require any member or transferee prior to registration of transfer, to furnish the nature of his shareholding and may also require a trustee or nominee to provide such particulars to enable the Company to identify the beneficial owners and the nature of their interest.

VARIATION OF RIGHTS

17. (a) If at any time the share capital of the Company by reason of the issue of preference shares or otherwise is divided into different classes of shares:
- (i) the repayment of preference capital other than redeemable preference capital; or
 - (ii) the alteration of any of the rights and privileges attached to the preference shares (unless otherwise provided by the terms of issue of the shares of that class)

may only be made, subject to the Act, whether or not the Company is being wound up, pursuant to a Special Resolution of the preference shareholders concerned, provided however that in the event of the necessary majority for such special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of not less than three-fourths (3/4) of the nominal value of the preference capital concerned within two (2) months from the date of the meeting, shall be valid and effective as a special resolution carried at the meeting. To every such separate general meetings, the provision of these Articles relating to general meetings of the Company and to proceedings thereat shall apply mutatis mutandis apply but so that:

- i) the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) in nominal amount of the issued share of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any two (2) holders of shares of the class present in person or by proxy shall be a quorum);
- ii) that any holder of the shares of the class present in person or by proxy may demand a poll, and
- iii) that every such holder shall on a poll have one (1) vote for every share of the class held by him.

(b) Subject to the terms on which any issue of shares is made, the Company shall not, unless with the consent of existing preference shareholders at a class meeting, issue further shares ranking in priority to the preference shares already issued but may further issue preference shares ranking pari passu in all respects with or subsequent to those already issued.

(c) 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 pari passu therewith or subsequent thereto.

SHARE BUY BACK

18. Subject to and in accordance with the Act and the regulations made pursuant thereto and any other relevant authorities, the Company shall be entitled at any time and from time to time and on any terms it deems fit, purchase and/or acquire up to 10% or any of its own shares from any party(ies) whatsoever.

19. Any shares in the Company so purchased by the Company shall be dealt with as provided by the Act or any other applicable law.

CERTIFICATES

20. Subject to these articles, every share certificate shall be issued under the Share Seal or Seal in such form as the Directors shall from time to time prescribe and shall bear the signatures or autographic signatures of at least one Director and a second Director or the Secretary or some other person appointed by the

Directors, and shall specify the number and class of shares to which it relates and amounts paid thereon provided that the Directors may by resolution determine that such signature or either of them, shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature.

21. Every member shall be entitled to receive share certificates in reasonable denominations for his holding. If any such member shall require more than one certificate in respect of the shares registered in his name, he shall pay such fee as the Directors may from time to time determine and which the Company may be permitted to charge by law plus any stamp duty levied by the Government from time to time.
22. Subject to the provisions of the Act any other applicable, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be cancelled and the Company shall issue a new share certificate in lieu thereof on such evidence being produced and a letter of indemnity (if required) being given and in case of defacement or wearing out, on delivery of the old certificate and in any case on payment of such sum as Board may from time to time specify or such sum as shall from time to time be permitted by the law and Exchange; in the case of destruction, loss or theft, the Central Depository who shall be entitled to such new certificate shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss including out of pocket expenses.

Delivery or issue of certificate of shares sold by Directors on non-delivery.

23. Where any shares are sold by the Directors under the powers in that behalf in these Articles and the certificates thereof has not been delivered up to the Company by the former holder of the said shares, the Director may issue a new share certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

LIEN

24. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that shares and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) registered in the name of a member in the Register for all monies presently payable by him or his estate to the Company.
25. The Company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay and has paid in respect of the shares of the member or deceased member.

- i) The Directors may at any time declare any share to be wholly or in part exempt from the provisions of these Articles.
 - ii) Unless otherwise agreed, the registration of the transfer of a share shall operate as a waiver of the Company's lien, if any, on such shares.
26. The Directors may sell any shares subject to such lien at such time or times and in such manner as the Directors think fit but no sale shall be made until such time as the money in respect of which such lien exists or some part thereof are or is presently payable or a liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof, and giving notice of intention to sell in default, shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for fourteen (14) days after such notice.
27. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof or in the case of a share that is a Deposited Security, authorise the Registrar to cause the Central Depository to credit the Securities Account of the purchaser of the share sold or otherwise in accordance with the directions of the purchaser. 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 or the remedy of the former holder of such share or of any person claiming under or through him in respect of any alleged irregularity or invalidity against the Company.
28. The proceeds of the sale of any share subject to any lien 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, accrued interest and expenses and the residue, if any, shall (subject to a like lien for sums not presently payable but existing upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale or his executors, administrators or assignees or as he directs.
29. Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability upon the Company to make any payment, or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any shares registered in the Register as held by any member or in respect of any dividends, bonuses or other moneys due or payable or accruing due or which may become due or payable to such member by the Company or in respect of any shares registered as aforesaid or for or on account or in respect of any member and whether in consequence of:

- i) the death of such member;
- ii) the non-payment of any income tax or other tax by such member;
- iii) any other act or thing;

the Company in every such case:

- i) shall be fully indemnified by such member or his executor or administrator from all liability;
- ii) shall have a lien upon all dividends, bonuses and other moneys payable in respect of the shares registered in the Register and/or the Record of Depositors as held by such member for all moneys paid or payable by the Company in respect of the same shares or in respect of any dividend, bonus or other moneys as aforesaid thereon or for or on account or in respect of such member under or in consequence of any such law together with interest at the rate of eight per cent (8%) per annum thereon from date of payment to date of repayment and may deduct or set off against any such dividend, bonus or other money payable as aforesaid any moneys paid or payable by the Company as aforesaid together with interest as aforesaid;
- iii) may recover as a debt due from such member or his executor or administrator wherever constituted any moneys paid by the Company under or in consequence of any such law and interest thereon at the rate and for the period aforesaid in excess of any dividend, bonus or other money as aforesaid then due or payable by the Company to such member.

CALL ON SHARES

30. The Directors may from time to time make calls upon the members in respect of any money 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 and each member shall (subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. Before the time for payment, the Directors may by notice in writing to the members revoke the call wholly or in part or extend the time for payment.
31. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments. No shareholder shall be entitled to receive any dividend or to exercise any privilege and rights as a member until his name have been entered in the Register or his name appears in the Record of Depositors and he shall have paid all calls for the time being due and payable on every share owned by him, together with interest and expenses (if any).

32. 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 as the Directors may determine, but the Directors shall be at liberty to waive payment of the interest wholly or in part.
33. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.
34. The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls or instalment to be paid and the times of payment of such calls.
35. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money for the time being uncalled and unpaid upon any shares held by him.
36. The Directors may authorise payment by the Company of interest on the whole or any part of the amount so received, until the amount becomes payable, at such rate not exceeding the prescribed rate, as is agreed between the Directors and the members paying the sum.
37. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money for the time being uncalled and unpaid upon any shares held by him.
38. Amount paid on shares in advance of calls shall be treated as loan to the Company and not (except in liquidation) as part of the capital of the Company and shall be repayable by the Company at any time if the Directors so direct. Such capital shall not, whilst carrying interest, confer a right to participate in profits.

INFORMATION ON SHAREHOLDING

39. The Company may by notice in writing require any member of the Company within such reasonable time as is specified in the notice:
- i) to inform the Company whether he holds any voting shares in the Company as Beneficial Owner or as trustee; and

- ii) if he holds them as trustee, to indicate so far as he can the persons for whom he holds them by name and by other particulars sufficient to enable those persons to be identified and the nature of their interest.

40. The Company may by notice in writing require a member of the Company to inform it, within such reasonable time as is specified in the notice, whether any of the voting rights carried by any voting shares in the Company held by him are the subject of an agreement or arrangement under which another person is entitled to control his exercise of those rights and, if so, to give particulars of the agreement or arrangement and the parties to it.

In what cases Directors may decline to register transfer

41. The Directors may in their absolute discretion decline to register any transfer of shares that is not a Deposited Security where the registration of the transfer would result in contravention of or failure of the Company to observe the provisions of any laws in Malaysia or the transfer is in respect of a partly paid shares in respect of which a call has been made and is unpaid.
42. If in the exercise of its rights under this Article, the Directors refuse to register a transfer of a share that is not a Deposited Security, they shall despatch to the lodging broker (if any) and the transferee written notice of the refusal within one (1) month after the date of which the transfer was lodged with the Company.
43. Subject to the provisions of the Act or any other applicable law, there shall be no restriction on the transfer of fully paid securities except where required by law or the transfer is in respect of a partly paid share in respect of which a call has been made and is unpaid.
44. Subject to any written law, no share shall in any circumstances be transferred to any minor, bankrupt or person of unsound mind or which is insolvent or in the name of any firm or partnership.
45. For the purpose of registration of a transfer of shares, every instrument of transfer shall be left at the office of the Registrar together with such fee as the directors may determine, the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares, and thereupon the Company shall subject to the powers vested in the directors by these articles register the transferee as the shareholder.
46. All instruments of transfer in respect of shares shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same.
47. Before registering any transfer tendered for registration in respect of shares, the Directors may, if they think fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that unless objection is taken, the transfer will be registered and if such registered holder fails

to lodge an objection in writing at the Registered Office within ten (10) days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer.

48. Subject to the provisions of the Act or any other applicable law, in the case of the death of a member, the legal personal representatives of the deceased shall be the only persons recognised by the Company as having any title to his interest in the shares but nothing herein contained shall release the estate of a deceased shareholder from any liability in respect of any share which had been held by him.
49. Any person becoming entitled to a share in consequence of the death or bankruptcy (or in the case of a body corporate, liquidation, otherwise than for the purpose of reconstruction or amalgamation) of a member may, upon such evidence being produced as may from time to time properly be required by the Directors 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 Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death, bankruptcy or liquidation, as the case may be.
50. If the person so becoming entitled elects to have the share transferred to him, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and the aforesaid notice must be served by him on the Company Registry. If he elects to have the share transferred to another person he shall testify his election by executing to that person a transfer of the shares. All the limitations, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy or liquidation of the member had not occurred and the notice or transfer were a transfer signed by that member.
51. Subject to the provisions of the Act or any other applicable law, where the registered holder of any share dies or becomes bankrupt (or in the case of a body corporate, liquidation, its assignee or liquidator, otherwise than for the purpose of reconstruction or amalgamation) his personal representative or the assignee of his estate or the liquidators, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors and/or the Company Registry in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to meetings of the Company or to voting or otherwise) as the registered holder or Depositor would have been entitled to if he had not died or become bankrupt or liquidated.
52. The Company shall be entitled to charge a fee as determined by the Board of Directors or such sum as may from time to time be permitted by the law in respect of the registration of every probate, letter of administration, certificate of death or marriage, power of attorney or other instrument relating to or affecting the title to the shares. All such fees shall be paid in advance before registration.

FORFEITURE OF SHARES

53. If a member fails to pay the whole or any part of any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remain unpaid, serve a notice on him or the person entitled to the share by reason of the death or bankruptcy as the case may be, requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
54. The notice of forfeiture shall name a further day (not earlier than the expiration of thirty (30) 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.
- a) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given, may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.
 - b) Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
 - i) When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register, but no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
 - ii) In the event of a forfeiture of share, the member shall be bound to deliver, and shall forthwith deliver to the Company the certificate held by him for the share so forfeited unless the share is a Deposited Security.
 - c) The Directors may accept a surrender of any share:
 - i) when they are in a position to forfeit such share; or
 - ii) in any such other cases as may be allowed by law.
55. Notwithstanding any such forfeiture as aforesaid, the Directors may at any time before the forfeited share has been otherwise disposed of, permit the share so forfeited to be redeemed by the aforesaid member upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon any further or other terms they may deem fit.

- i) Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot and otherwise dispose of the same in such manner as they think fit.
 - ii) At any time before a sale or disposition, the forfeiture may be annulled or cancelled on such terms as the Directors think fit.
56. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture, was payable by him to the Company in respect of the shares (together with interest at the rate of 12 per cent (12%) per annum or such other rate as may be determined by the Directors from the date of forfeiture on the monies for the time being unpaid if the Directors think fit to enforce payment of such interest), but his liability shall cease if and when the Company receives payment in full of all such money in respect of the shares.
57. 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.
58. The Company may receive the consideration, if any, given for a forfeited share on any sale or disposition thereof and may (in the case of shares that are not Deposited Securities) execute the transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be recognised as the holder of the share, or (in the case of shares that are Deposited Securities) authorise the Registrar to cause the Company Registry to credit the Securities Account of the person to whom the share is sold or disposed of with the forfeited shares or otherwise in accordance with the directions of such persons as aforesaid. The purchaser 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.
59. Subject to any lien for sums not presently payable, if any, any residue of the proceeds of sale of shares which are forfeited and sold or disposed of, after the satisfaction of the unpaid calls or instalments payable at fixed times and accrued interest and expenses, shall be paid to the person whose shares have been forfeited or his executors, administrators, or assignees or as he directs.
60. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the shares and all other rights and liabilities incidental to the shares as between the person whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved or as may by the Act be given or imposed in the case of past members.

61. The provisions of these Articles 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.

CONVERSION OF STOCK INTO SHARES

62. The Company may by ordinary resolution passed at a general meeting convert any paid-up shares into stock or re-convert any stock into paid up shares of any denomination.
63. The holders of the stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit; but the Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.
64. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such amount of stock which would not, if existing in shares, have conferred that right, privilege or advantage.
65. Such of the Articles of the Company as are applicable to paid-up shares shall apply to stock, and the word "share" and "shareholder" therein shall include "stock" and "stockholder".

INCREASE OF SHARE CAPITAL

66. The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital, voting or otherwise as the Company by the resolution authorising such increase directs.
- i) Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings

in proportion, as nearly as the circumstances admit, to the amount of the existing Shares or Securities to which they are entitled.

- ii) The offer referred to above shall be made by notice specifying the number of Shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Shares or Securities offered, the Directors may dispose of those Shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new Shares or Securities which (by reason of the ratio which the new Shares or Securities bear to Shares or Securities held by persons entitled to an offer of new Shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Article.

67. Subject to the provisions of these Articles, the Company shall ensure that it shall not issue any shares or convertible securities if the nominal value of any such shares or convertible securities, when aggregated with the nominal value of any such shares or convertible securities issued during the preceding twelve (12) months, exceeds 10% of the nominal value of the issued and paid-up capital of the Company, except where the shares or convertible securities are issued with the prior approval of the shareholders in general meeting of the precise terms and conditions of the issue.

68. Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, instalment, lien, transfer, transmission, forfeiture, surrender and otherwise as the original share capital.

ALTERATION OF CAPITAL

69. The Company may from time to time by ordinary resolution:

- i) Increase the share capital by the creation of new shares of such amount as the resolution shall prescribe;
- ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- iii) subdivide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum of Association so however that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on each reduced shares shall be the same as it was in the case of the share from which the reduced share is derived;
- iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which

have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

70. Subject to the Act, 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, and subject to, any authorisation, and consent required by law.

GENERAL MEETINGS

71. Meetings of the Company shall be held in accordance with the provisions of the Act. All general meetings other than the annual general meetings shall be called extraordinary general meetings. All general meetings shall be held at such time and place as the Directors shall determine.
72. The Directors may whenever they so decide by resolution convene an extraordinary general meeting of the Company. In addition, an extraordinary general meeting shall be convened on such requisition as is referred to under the Act. If the Company makes default in convening a meeting in compliance with a requisition received pursuant to the Act, a meeting may be convened by the requisitionists themselves in the manner provided therein.
73. In the case of an extraordinary general meeting called in pursuance of a requisition no business other than that stated in the requisition as the objects of the meeting shall be transacted.
- i) Subject to the provisions of the Act, every notice convening meetings shall be given to all shareholders:-
 - a. where it is an annual general meeting or an extraordinary general meeting convened for the purpose of passing a Special Resolution, at least twenty one (21) days before the meeting.
 - b. where it is any other extraordinary general meeting, at least twenty one (21) days before the meeting.
 - ii) The notice of a general meeting shall include the following:
 - a. the place, day and hour of the meeting;
 - b. if the meeting is called to consider any special business, a statement regarding the effect of any proposed resolution in respect of such special business;
 - c. sufficient information to enable a member to decide whether to attend the meeting;
 - d. if the meeting is convened for the passing of a Special Resolution, the intention to propose the resolution as such.

- iii) The notices of general meeting shall be given to such persons as are entitled to receive these notices from the Company as provided for in the Articles or any applicable law.
74. A meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in these Articles, be deemed to have been duly called if it is so agreed:-
- i) in the case of an annual general meeting, by all the members entitled to attend and vote at such meeting; or
 - ii) in the case of other meetings, by a majority in number of the members having a right to attend and vote thereat, being a majority of not less than 95% in nominal value of the shares giving a right to attend and vote.
75. Subject always to the provisions of the Act, no business shall be transacted at an extraordinary general meeting except business of which notice has been given in the notice convening the meeting and no business shall be transacted at an annual general meeting other than business of which notice has been given aforesaid, with the exception of declaration of final dividend, the consideration of the accounts, balance sheets and the report of the Directors and Auditors, the election of Directors in place of those retiring, and the appointment and fixing of the remuneration of the Auditors.
76. All business that is transacted at an extraordinary general meeting and at an annual general meeting shall be special, with the exception of the following:
- i) the declaration of final dividend;
 - ii) the consideration of the accounts, balance sheets and the reports of the Directors and Auditors;
 - iii) the election of Directors in the place of those retiring;
 - iv) the approval of directors' fee; and
 - v) the appointment and fixing of the remuneration of the Auditors.
77. The accidental omission to give notice of any meeting to, or the non- receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate any resolution passed or the proceedings at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

78. CHAAPA Innovations Ltd shall be a time conscious Company and therefore it shall be mandatory practice for all meetings of the Company to commence on time.

- i) The minimum number of members required for a general meeting to commence shall not be less than 20 members recorded in the attendance register at the time of commencement of the meeting.
- ii) Any record of the members present at the general meeting shall include members physically present or attending virtually.
- iii) Where in any exceptional circumstances the minimum number of members required to commence a meeting is not available at the time appointed for the meeting, the Chairman shall have the discretion to extend the time for the commencement of the meeting for not more than 30 minutes beyond the time appointed for the meeting.

79. The chairman of the Board of Directors or in his absence the deputy chairman (if any) shall preside as chairman at every meeting. If there is no such chairman, or if at any meeting he is not present at the time upon which the meeting should commence, in any case not later than half an hour after the time appointed for holding the meeting, or if he shall be unwilling to act as chairman, the Directors present shall choose one (1) of the members of the Board of Directors present, to be the chairman, or if one (1) Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the members present in person or by proxy or by attorney or in the case of a corporation, by a representative duly authorised in that behalf and entitled to vote shall elect one (1) of their number present to be chairman of the meeting.

80. No business except the election of the chairman or the adjournment of the meeting shall be transacted or discussed at any general meeting while the chair is vacant.

- i) 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.
- ii) Without prejudice to the generality of Article 85 (a), the chairman of a general meeting may adjourn a general meeting to another time and place or interrupt or suspend the general meeting, in each case, without the consent of the meeting and without having to give any reason therefor, if it appears to him that:
 - (a) it is likely to be impracticable to hold or continue to hold the meeting because of the number of members wishing to attend who are not present;
 - (b) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting; or
 - (c) an adjournment is otherwise necessary so that the business of the meeting may be properly convened;

- iii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iv) When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING

81. (a) 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:
- i) by the chairman of the meeting;
 - ii) by at least two (2) members present in person or by proxy or by attorney or in the case of a corporation, by a representative duly authorised in that behalf;
 - iii) by any member or members present in person or by proxy or by attorney or in the case of a corporation, by a representative duly authorised in that behalf and representing not less than one-tenth (1/10) of the total voting rights of all members having the right to vote at the meeting; or
 - iv) by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth (1/10) of the total sum paid up on all the shares held by all members present in person or by proxy or by attorney or in the case of a corporation, by a representative duly authorised in that behalf conferring that right;
- provided that a poll may be demanded prior to a vote being taken on a show of hands.
- (b) Unless a poll is so demanded in accordance with Article 86(a), a declaration by the chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolutions.
 - (c) The demand for a poll may be withdrawn. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

82. If a poll is duly demanded, it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the chairman directs, and the

result of the poll shall be the resolution of the meeting at which the poll was demanded.

83. (a) In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote. Where the chairman is also a member of the Company, he shall have the casting vote in addition to the votes to which he may be entitled as a member.
- (b) In case of any dispute as to the admission or rejection of a vote, the chairman shall determine the same and such determination made in good faith shall be final and conclusive.
- (c) If any votes have been counted which ought not to have been counted or might have been rejected, the error shall not vitiate the results of the voting unless it be so pointed out at the same meeting or at any adjournment thereof, as the case may be, and in the opinion of the chairman at the meeting or adjournment thereof it shall be of sufficient importance so as to vitiate the result of the voting.
- (d) A vote given or poll demanded by a proxy shall, notwithstanding that it is exercised otherwise than in accordance with instructions of the appointer, be valid and binding on the appointer, and the Company shall not be under any obligation to ensure or verify that a proxy voting or demanding a poll at a general meeting shall vote or had voted in accordance with the instructions indicated in the instrument of proxies.
84. Subject to the provisions of these Articles and any rights or restrictions for the time being attached to any class or classes of shares, at meetings of members or classes of members:-
- i) each member entitled to vote may vote in person or by proxy or by attorney or other duly authorised representative;
 - ii) on a resolution to be decided on a show of hands, a holder of ordinary shares or preference shares in the Company who is personally present or by proxy or attorney or duly authorised representative of a member shall have one (1) vote, and on a poll every person present in person or by proxy or attorney or representative shall has one (1) vote for each share he holds;
 - iii) on a show of hands, any member who is a proxy for another member, and any person who is a proxy for more than one (1) member shall have only one (1) vote; and
 - iv) any proxy or attorney or representative appointed to attend and vote instead of a member shall have the same right as the member to speak at the meeting.

85. Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator shall carry the same voting power when such right is exercisable.
86. A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person who properly has the management of his estate, and any such committee or other person may vote by proxy or attorney.
87. Subject to these Articles or any other applicable law, a member shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the Company have been paid. No member shall be entitled to be present or to vote on any question either personally or otherwise by proxy or attorney or in the case of a corporation duly authorised representative, at any general meeting or upon a poll or be reckoned in the quorum in respect of any shares upon which:-
- i) calls are due and unpaid, and/or
 - ii) where the instrument of proxy, the power of attorney or other authority, if any, naming another person or party (other than the said member) as proxy, attorney or person/party authorised to so act has not been deposited with the Company in accordance with these Articles.
88. 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.

PROXY AND CORPORATE REPRESENTATIVE

89. (a) An instrument appointing a proxy or representative shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney. The Directors may, but shall not be bound to, require evidence of the authority under which the instrument was signed by any such attorney or officer.
- (b) The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register.
- (c) The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

90. A holder of shares may not appoint more than two (2) proxies to attend the same meeting. Where the holder appoints two (2) proxies to attend and vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy. A proxy shall be entitled to vote on a show of hands on any question at any general meeting.
91. A vote given or poll demanded by a proxy shall be valid, notwithstanding the previous death or unsoundness of mind or liquidation of the principal or the revocation of the instrument or of the authority under which the instrument was executed, or the transfer of the share in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind, liquidation, revocation or transfer as aforesaid has been received by the Company at their Registered Office before the commencement of the meeting or adjourned meeting or the taking of the poll at which the instrument is used.
92. A corporation may by resolution of its directors or other governing body, if it is a member of the Company, authorise such person as it thinks fit to act as its representative either at a particular meeting or at all meetings of the Company or of any class of members, and a person so authorised shall in accordance with his authority and until his authority is revoked by the corporation be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of the Company.

DIRECTORS

93. Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2) nor more than seven (7) but in the event of any casual vacancy occurring and reducing the number of Directors below the aforesaid minimum number, the remaining Directors or Director may, except in an emergency, act only for the purpose of filling up such vacancy or vacancies or of summoning a general meeting of the Company.
94. Without prejudice to the interim Board of Directors which shall be the directors of the Company until the first annual general meeting of the Company, the members of the Board of directors shall be appointed by the general meeting.
95. The term of office of each director shall be three (3) years from the date of appointment expressed on the resolution appointing such a director or directors.
96. The term of office of each director shall be 3 years from the date of appointment provided that a retiring director may be eligible for reappointment.
97. No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless a member intending to propose him for election has, at least eleven (11) clear days before the meeting, left at the Registered Office a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such member to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary, and notice of each and every candidature for election to

the Board of Directors shall be served on the registered holders of shares at least seven (7) days prior to the meeting at which the election is to take place.

98. The term of office of each director shall be 3 years from the date of appointment provided that a retiring director may be eligible for reappointment.
99. At any general meeting at which more than one (1) Director is to be elected, each candidate shall be the subject of a separate motion and vote unless a motion for the appointment of two (2) or more persons as Directors by a single resolution shall have first been agreed to by the meeting without any vote being given against it.
100. The Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to retire from office and may make any appointments necessary for effecting any such increase as aforesaid; but this Article shall not be construed as authorising the removal of a Director otherwise than in accordance these Articles and the Act.
101. (a) The Directors shall have power at any time, 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 Articles.
- (b) 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 that meeting.
- (c) The Company may by ordinary resolution of which special notice has been given in accordance with the Act remove any Director before the expiration of his period of office notwithstanding anything in the Articles on in any agreement between the Company and the Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.
- (d) The Company may by ordinary resolution appoint another person in place of a Director removed from office. A person appointed in place of a Director so removed shall be subject to retirement by rotation 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. In default of such appointment, the vacancy so arising may be filled by the Directors as a casual vacancy.
- (e) The shareholding qualification for Directors may be fixed by the Company in general meeting and until so fixed no shareholding qualification for Directors shall be required. All Directors shall be entitled to receive notice of and to attend all general meetings of the Company.

102. The Directors may from time to time, appoint one or more Directors to be executive Director(s) of the Company, for such period and upon such terms as they may think fit but if the appointment is for a fixed term, the term shall not exceed five (5) years and may from time to time (subject to the provisions of the contract between the executive Director and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. The executive Director(s) may be conferred such other designation(s) as may be determined by the Directors.
103. An executive Director shall not while he continues to hold that office throughout the duration specified therein, be subject to retirement by rotation if the same shall constitute a breach by the Company of the terms of the said contract, but he shall be equally subject to retirement after the expiry of the relevant service contract and (subject to the provisions of the said contract) shall be subject to the same provisions as to resignation and removal as the other Directors and executives of the Company and if he ceases to hold the office of Director for any cause he shall ipso facto and immediately cease to be an executive Director.
104. The executive Director(s) shall be subject to the control of the Board of Directors. The Directors may from time to time entrust to and confer upon the executive Director(s) for the time being such of the powers exercisable under these Articles by the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

REMUNERATION OF DIRECTORS

105. (a) The fees payable to the Directors shall from time to time be determined by an ordinary resolution of the Company in general meeting. Such fees shall not be increased except pursuant to an ordinary resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting. Any Director holding office for a part of a year shall be entitled to a proportionate part of such fees.
- (b) Any Director who is appointed to any executive office including Chairman or who serves on any committee shall, subject to the terms of any agreement (if any) entered into in any particular case, receive such remuneration (whether by way of salary, participation in profits, or partly in one way and partly in another) as the Directors may from time to time determine, provided however that their salary shall not include a commission on or a percentage of turnover of the Company.
- (c) Fees payable to non-executive Directors shall be a fixed sum, and not by a commission on, or percentage of, profits or turnover of the Company.

- (d) Any fee paid to an Alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the Director nominating him.
- (e) The Directors shall be paid all their 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 meeting of the Company or which they may otherwise incur in connection with the business of the Company.
- (f) Subject to these Articles, if any Director being willing shall be called upon to perform extra services or to make any special efforts in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company, he shall be entitled to receive such sum as the Directors may think fit either as a fixed sum by way of salary, allowances or as percentage of profits or otherwise but not a commission on or percentage of turnover and such remuneration may, as the Directors shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive, and the same shall be charged as part of the ordinary working expenses of the Company.
106. Without prejudice to the provisions of the Act or any other applicable law or these Articles on the retirement, removal or vacation from office of Directors, the office of a Director shall become vacant if he:
- i) becomes bankrupt or makes any arrangement or composition with his creditors generally during his term of office;
 - ii) becomes prohibited from being a director by reason of any order made under the Act;
 - iii) ceases to be or is prohibited from being a director by virtue of the Act;
 - iv) becomes of unsound mind or a person whose estate is liable to be dealt with in any way under the law relating to mental disorder, during his term of office;
 - v) resigns his office by notice in writing to the Company; or
 - vi) is removed from his office as Director by resolution of the Company in general meeting of which special notice has been given.

POWERS AND DUTIES OF DIRECTORS

107. The business of the Company shall be managed by the Directors who may, in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, pay all expenses incurred in promoting and registering the Company, and exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in general meeting subject, nevertheless, to any of these Articles, to the provisions of the Act, and to such regulations, not being inconsistent with these Articles or provisions of the Act as may be prescribed by the Company in general meeting but no regulation

made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made or passed.

108. (a) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge any of the Company's or the subsidiaries' undertaking, property and any uncalled capital as the case may be, or any part thereof, and to issue debentures, guarantees, indemnities and other securities whether outright or as security for any debt, liability or obligation subject to such restrictions as may be set out in the Act.
- (b) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures or other Securities whether outright or as security (principal or collateral) for any debt, liability or obligation of an unrelated third party.
- (c) Any bonds, notes, debentures, debentures stock or other securities may be issued at a discount, premium or otherwise and with special privileges as to redemption, surrender, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.
109. Subject to the provisions of the Act, the Directors shall not acquire or dispose of an undertaking or property of a substantial value or dispose of a substantial portion of the Company's undertaking or property without the approval of the Company in general meeting.
110. (a) The Directors may establish or arrange any contributory or non-contributory pension super-annuation scheme for the benefit of, or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependants of any such person.
- (b) The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any of the Company's subsidiary or any such persons as aforesaid and make payments for or towards any hospital or scholastic expenses or any insurance of any such person provided that any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the Act requires, to proper disclosure to the members and the approval of the Company in general meeting.
111. The Directors may exercise all the powers of the Company conferred by the Act in relation to any official seal for use outside Uganda and in relation to branch registers.
112. The Directors may from time to time by power of attorney appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Directors to be the attorney/attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those

vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him.

113. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors from time to time by resolution determine.
114. A Director shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.
115. Every Director shall give notice to the Company of such events and matters relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act.
116. No Directors shall be disqualified by reason of his office from holding any other office or place of profit under the Company (other than the office of Auditor) or under any company in which the Company shall be a shareholder or otherwise has an interest in or from contracting with the Company or any company in which the Company is a shareholder or in which the Company otherwise has an interest either with respect to his/her tenure of any such office or place of profit or as vendor, purchaser or otherwise nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company or any company as aforesaid in which any Director is in any way interested, 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 realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established but the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined, if the interest then exists or in any other case at the first meeting of the Directors after the Director becomes so interested.
117. 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 authorise a Director or his firm to act as auditor of the Company.
118. A Director of the Company may be or become a director or other officer of or otherwise be interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or in any corporation, which is directly or indirectly interested in the Company as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or

officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment.

PROCEEDINGS OF DIRECTORS

119. (a) The Directors may meet together for the despatch of business at such time and place, adjourn and otherwise regulate their meetings and proceedings as they think fit. Any Director may at any time and the Secretary shall on the requisition of any of the Directors, summon a meeting of the Directors.

(b) Subject to the laws for the time being in force, all or any members of the board of Directors or any committee of the board of Directors may participate in the meeting of the board of Directors or committee of the board of Directors (as the case may be) by means of a telephone conference, video conference or any other communication equipment which allows all persons participating in the meeting to hear each other ("Communication Equipment"). A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote. For the purposes of recording attendance, the chairman or Secretary shall mark on the attendance sheet that the Directors were present and participating by Communication Equipment. Subject always that all provisions of these Articles as to meetings of the Directors will apply to such meeting involving Communication Equipment and the following conditions must be fulfilled:-

- i) All the Directors shall have received notice of a meeting in accordance with these Articles;
- ii) At the commencement of the meeting each Director acknowledges his presence thereof to all the other Directors taking part;
- iii) Each of the Directors taking part is able to be heard and hear each of the other Directors throughout the meeting subject as hereinafter mentioned;
- iv) A Director may not leave by disconnecting the Communication Equipment unless he has obtained prior express consent from the chairman of the Meeting. In the event the Communication Equipment is disconnected, resulting in the number of Directors participating in the meeting to be less than the quorum, the meeting shall be adjourned, unless the Communication Equipment is reconnected and no decision was made by the Directors during the disconnection and the Director whose Communication Equipment is reconnected, is informed of any deliberation during the disconnection;
- v) All information and documents are made equally available to all Directors prior to, at or during the meeting;
- vi) Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the chairman of the meeting then is; and

- vii) At the conclusion of meeting by loss of quorum, the validity of whatsoever business transacted and all resolutions passed prior to the conclusion of such meeting shall not be affected.
- (c) Minutes of the proceedings shall be sufficient evidence of such proceedings thereof and of the observance of all necessary formalities if certified as correct minutes by the Chairman of the meeting.
120. (a) Unless otherwise determined by the Directors from time to time, notice of any meeting of the Directors may be given by telephone or facsimile or post and a seven (7) days' notice of all Directors' meetings shall be given to all Directors, except in the case of an emergency, where reasonable notice of every Directors' meeting shall be given in writing. Any Director may waive notice of any meeting and any such waiver may be retroactive.
121. The quorum necessary for the transaction of the business of the Directors shall be fixed by the Directors from time to time and unless so fixed, the quorum shall comprise three (d) Directors of the Company, and a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under these Articles vested in or exercisable by the Directors generally.
122. The Directors may elect a Chairman and if desired, a Deputy Chairman and determine the period for which he is or they are to hold office. The Chairman or in his absence, the Deputy Chairman shall preside as chairman at all meetings of the Directors. If no such Chairman or Deputy Chairman is elected or if at any meeting the Chairman or Deputy Chairman is not present within thirty (30) minutes after the time appointed for holding the meeting, the Directors present may choose one (1) of their number to be Chairman of the meeting.
123. (a) Subject to these Articles any question arising at any meeting of Directors shall be decided by a majority of votes, each Director having one (1) vote and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors.
- (b) In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote except where only two (2) Directors form a quorum and only such Directors are present at the meeting or where only two (2) Directors are competent to vote on the question in issue, whereupon the resolution shall be deemed not to have been passed, without affecting any other businesses at the meeting.
124. The remaining Directors may continue to act notwithstanding any vacancy in their body, but if and so long as their number is reduced to below the minimum number fixed by or pursuant to these Articles as the necessary quorum of Directors, the remaining Directors or Director may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or to summon a general meeting of the Company, but for no other purpose.

DIRECTORS' INTEREST

125. Every Director shall comply with the provisions of the Act in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.
126. (a) A general notice may be given to the Directors by any Director to the effect that he is an officer or member of any specified corporation or firm and is to be regarded as interested in any contract which may after the date of the notice, be made with that corporation or firm.
- (b) A notice given by a Director pursuant to this Article shall be deemed to be a sufficient declaration of interest in regard to any contract so made if it specifies the nature and extent of his interest in the specified corporation or firm and his interest is not different in nature or greater in extent than the nature and extent so specified in the general notice at the time any contract is made.
- (c) A notice given by a Director pursuant to this Article shall be of any effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought and read at the next meeting of the Directors after it is given.
127. The remaining Directors may continue to act notwithstanding any vacancy in their body, but if and so long as their number is reduced to below the minimum number fixed by or pursuant to these Articles as the necessary quorum of Directors, the remaining Directors or Director may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or to summon a general meeting of the Company, but for no other purpose.
128. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has, directly or indirectly, interest and if he does so vote, his vote shall not be counted. Subject to the Act and these Articles, he shall not be counted in the quorum present at any meeting, but neither of these prohibitions shall apply to:-
- (i) any contract or proposed contract of indemnity against any loss which any Director may suffer by reason of becoming or being a surety for the Company; or
 - (j) any contract or proposed contract entered into by the Company or a subsidiary of the Company which is a private company with another company in which the interest of the Director consist solely in him having an interest of not more than 5% of the issued and paid-up share capital of the Company.

129. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has, directly or indirectly, interest and if he does so vote, his vote shall not be counted. Subject to the Act and these Articles, he shall not be counted in the quorum present at any meeting, but neither of these prohibitions shall apply to:-
130. Without prejudice to the provisions of any other Articles and the Act, at any meeting of Directors, where the proposals under consideration are any of the following:
- i) appointment of any Director ("Relevant Director") to hold any office or place of profit with the Company; or
 - ii) exercise of any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of any Relevant Director to hold any office or place of profit with any other company;
 - iii) the terms of appointment of the Relevant Directors as hereinabove mentioned are considered; or
 - iv) any contract or arrangement in which any Relevant Director is in anyway interested the Relevant Director may, with the approval of all of the others Directors present at the meeting, be counted in the quorum for the meeting.
131. A director whose close relative such as spouse, sibling or any other such relative applies for employment with the Company, shall be under a duty to disclose such relationship prior to conducting interviews or appointment of such a person to any position of employment in the Company.
132. Failure to disclose such relationship shall be considered a conflict of interest and it shall be mandatory for the affected director and the person so appointed to resign their positions upon discovery of such conflict of interest.

PRINCIPAL EXECUTIVE DIRECTOR

133. (a) The Directors may appoint the Chairman or any of the Directors (including the Executive Director, if any), to be the principal executive officer of the Company under any designation as may be decided by the Directors for such period and on such terms as the Directors think fit and subject to the terms of any agreement entered into in any particular case, may revoke any such appointment and may appoint any other person qualified under this Article in his place.
- (b) The principal executive officer of the Company (by whatever designation) shall be principally responsible for the supervision, direction and control of the daily administrative and management of the Company and he shall have full authority to appoint such subordinates or other officers and managers of the Company and to delegate to such persons any of the powers exercisable by him as he deems fit and proper.

COMMITTEES OF DIRECTORS

134. (a) The Directors may delegate any of their powers to committees consisting of such members as they think fit, and may from time to time revoke such delegation or alter or vary any of such powers and discharge any such committee in whole or in part.
135. Any committee so formed shall in the exercise of the powers so delegated, conform to any terms, conditions, restrictions and regulations that may from time to time be imposed on it by the Directors.
136. The meetings and proceedings of any such committee consisting of two (2) or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under this Article.
137. The quorum necessary for any meeting and proceeding of any committee established pursuant to Article 133 shall consist of any two (2) members of the committee or as determined by the Directors.
138. All acts done by any meeting of the Directors or a committee of Directors or by any person acting as a Director shall in relation to persons dealing in good faith with the Company, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any Director or any member of the committee or such person acting as aforesaid, or that they or any of them were disqualified from holding office or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or and had been entitled to vote.

DIRECTORS CIRCULAR RESOLUTIONS

139. (a) A resolution in writing signed by a majority of the Directors for the time being present in Uganda being entitled to receive notice of a meeting of Directors, being not less than sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.
- (b) All such resolutions shall be described as "Directors' Circular Resolution" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's Minute Book and submitted for a confirmation at a meeting of the Directors next following the receipt thereof by him. Any such resolution may consist of several documents in like form, each signed by one (1) or more Directors.
- (c) The expressions "in writing" and "signed" include approval by legible confirmed transmission by telefax or other written electronic communication.

- (d) A resolution in writing of the Directors shall be inoperative if it shall purport to authorise or to do any act which a meeting of the Board has decided shall not be authorised or done, until confirmed by a meeting of the Board.

AUTHENTICATION AND DESTRUCTION OF DOCUMENTS

140. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents effecting the constitution of the Company and any resolution passed by the Company or the Directors and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and, where any books, records documents or accounts are kept elsewhere other than in the office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.
141. A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with the provisions of Article 146 shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or that such extract is a true and accurate record of a duly constituted meeting of the Directors, as the case may be.
142. The Company shall be entitled to destroy all instruments of transfer which shall have been registered at any time after a reasonable time from the date of registration thereof, and all share certificates and dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of one (1) year from the date of cancellation or cessation thereof, and all notifications of change of name or address after the expiration of one (1) year from the date they were recorded, and in favour of the Company it shall conclusively be presumed that every entry in the Register which purports to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided that:
- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice that the preservation of such document was relevant to a claim;
 - (ii) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company but for the provisions of this Article; and
 - (iii) reference in this Article to the destruction of any document include references to its disposal in any manner.

MINUTES AND REGISTER

143. The Directors shall cause minutes to be made and duly entered in books provided for the purpose:

- (i) of all appointments of officers;
- (ii) of the names of all the Directors present at each meeting of the Directors and of any committee, local boards or agencies of Directors and of the Company in general meeting;
- (iii) of all resolutions and proceedings of general meetings and of meetings of the Directors and committees, local boards or agencies of Directors; and
- (iv) of all orders made by the Directors and any committee, local board or agencies of Directors.

Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and the same shall be conclusive evidence without any further proof of the facts therein. Where minutes have been so entered and signed, then, until the contrary is proved:

- (a) the meeting shall be deemed to have been duly held and convened;
- (b) all proceedings had thereat shall be deemed to have been duly had; and
- (c) all appointments of officers or liquidators made thereat shall be deemed to be valid.

144. The Company shall in accordance with the provisions of the Act keep at the Registered Office a register containing such particulars with respect to the Directors and managers of the Company as are required by the Act, and shall from time to time notify the Registrar of any change in such register and of the date of change in manner prescribed by the Act.

145. The books containing the minutes of proceedings of any general meeting shall be kept by the Company at the Registered Office, and shall be open to the inspection of any member without charge.

146. The Company shall also keep at the Registered Office registers which shall be open to the inspection of any member without charge and to any other person on payment for each inspection of a prescribed fee all such matters required to be so registered under the Act.

SECRETARY

147. (a) The Secretary or Secretaries shall be appointed by the Directors in accordance with the Act for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them.
- (a) If thought fit by the Directors, two or more persons may be appointed as joint secretaries.
- (b) The Directors may also appoint an Assistant or Deputy Secretary and the foregoing provisions of this Article shall apply in relation to such office.
- (c) If there is no Secretary or Assistant or Deputy Secretary capable of acting, subject to the Act, any officer of the Company authorised generally or specially in that behalf by the Board may carry out anything required or authorised by the Act to be done by the Secretary.
- (d) The Directors may from time to time appoint a temporary substitute for the Secretary or Secretaries who shall be deemed to be the Secretary during the term of his appointment. The appointment and duties of the Secretary or Secretaries shall not conflict with the provisions of the Act.
- (e) Any provision of these Articles or the Act 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 to the same person acting both as Director and as, or in place of, the Secretary.

SEAL

148. (a) The Directors shall provide for the safe custody of the Seal which shall only be used pursuant to a resolution of the Directors, or a committee of the Directors authorised to use the Seal. The directors may from time to time (subject to the provisions of Articles 13 and 14 in relation to share and debenture stock certificates and debentures) make such regulations as they think fit determining the persons and the number of such persons in whose presence the seal shall be affixed and until otherwise so determined as to which no person dealing with the Company shall be concerned to see or enquire, every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by another person appointed by the Directors for the purpose.
- (b) The Company may exercise the powers conferred by the Act with regard to having an official Seal for use abroad, and such powers shall be vested in the Directors.
- (c) The Company may also have a Share Seal pursuant to the provisions of the Act. The Share Seal is a duplicate common seal which shall be a facsimile of the Seal of the Company with the addition on its face of the words "Share Seal"

which is specifically used for affixing onto share certificates issued by the Company and the affixing of the Share Seal shall be authenticated in the manner herein prescribed.

ACCOUNTS

149. (a) The Company and the Directors shall cause to be kept proper books of accounting and other records which will sufficiently explain the financial position or operations of the Company, including its subsidiaries.
- (b) The books of accounting and other records referred to in Article 146 (i) above shall be kept at the Registered Office or at such other place as the Directors think fit and shall always be opened to inspection by the Directors.
- (c) The Directors shall from time to time determine whether, in any particular case or class of cases, or generally and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be opened to the inspection of members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by statute or authorised by the Directors or by a resolution of the Company in general meeting.
150. The Directors shall from time to time in accordance with the provisions of the Act cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets and report as are required under the Act. The interval between the close of a financial year of the Company and the issue of the annual audited accounts, the directors' and auditors' reports shall not exceed four (5) months.

DIVIDENDS AND RESERVES

151. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.
152. The Directors may if they think fit 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. If at any time the share capital of the Company is divided into different classes the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring any preferential rights with regard to dividend by the payment of an interim dividend on any shares having deferred or non-preferential rights. The Directors may also pay half- yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment.

153. No dividend shall be paid other than out of profits or shall bear interest against the Company.
154. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending any 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 in 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 not to divide.
155. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared 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 call shall be treated for the purposes of this Article 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 for dividend as from a particular date that share shall rank for dividend accordingly.
156. 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 calls or otherwise in relation to the shares of the Company.
157. The Directors may retain the dividends payable upon shares in respect of which any person is under the provision as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
158. All dividends unclaimed for one (1) year, subject to any relevant written law, after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed or paid.
159. (a) 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 of paid-up shares, debentures or debenture 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 regard to such distribution or any part thereof, the Directors may settle the same as they think expedient, and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

- (b) Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant or any other manner as the Directors think fit, sent through the post directed to the registered address of the holder who is named on the Register or the Record of Depositors (as the case may be) or to such person and to such address as the holder may in writing direct.
- (c) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant either by post or electronic means, shall operate as a good discharge to the Company in respect of the dividend represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged. Every such cheque or warrant shall be sent at the risk of the person entitled to the money thereby represented.

CAPITALISATION OF PROFITS

160. (a) The Directors may with the authority of an ordinary resolution of the Company in general meeting:
- (i) resolve to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including, without limitation, the Company's share premium account and capital redemption reserve, if any) or to the credit of the profit and loss account or otherwise available for distribution; and
 - (ii) appropriate such sum so resolved to be capitalised, for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be 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, or to provide consideration for the purchase of the Company's own shares;
 - (iii) allot the shares, debentures or other obligations credited as fully paid to those members in the proportions aforesaid and make such provisions as they think fit for any fractional entitlements.
 - (iv) A share premium account and a capital redemption reserve may, for the purposes of this Article, be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
161. Whenever such a resolution as aforesaid in Article 160 shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or 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 thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

NOTICES

162. Subject to the provisions of any written law, any notice or document may be given by the Company to any member by:-
- (i) serving it on him personally or by sending it by post to him; at his address as appearing in the Register or the Record of Depositors in Uganda or (if he has no registered address within Uganda) to the address, if any, within Uganda supplied by him to the Company for the giving of notices to him.; or
 - (ii) by advertisement in the daily press; or
 - (iii) by facsimile, email or any other electronic means of issuing such notices..
163. (a) Unless otherwise stated herein, a notice or other documents if served by post shall be deemed to be effective by properly addressing, prepaying and posting, and to have been effected on the date of its posting. In proving service by post it shall be sufficient to prove that the letter containing the notice or document was properly addressed and stamped and put into a post office letter box or by a letter from the Company Secretary certifying that the notice or document has been posted.
- (b) Unless otherwise stated herein, a notice or other documents (including any instrument of proxy delivered by facsimile pursuant to Article 88) if served or delivered by facsimile shall be deemed to be effective at the time of despatch with confirmed answerback of the addressee appearing at the beginning and end of the communication.
164. (a) Any notice or document delivered or sent by post to or left at the address of any member or advertised as herein provided shall, notwithstanding such member be then deceased, and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any shares, and such service shall, for all purposes of these presents, be deemed a sufficient service of such notice or document on his heirs, executors or administrators.
- (b) Every person who, by operation of law, transfer, transmission or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, prior to his name and/or address being entered in the Register or the Record of Depositors as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share.

165. (a) Notice of every general meeting shall be given in any manner hereinbefore specified to:

- i) every member;
 - ii) every person entitled to a share in consequence of the death or bankruptcy or in case of a corporation, upon liquidation, of a member who, but for his death or bankruptcy or liquidation, would be entitled to receive notice of the meeting;
 - iii) the Auditor for the time being of the Company; and
- (b) Except as aforesaid no other person shall be entitled to receive notices of general meeting save that if the meeting be called for the alteration of the Company's objects, the provisions of the Act regarding notices to debenture holders (if any) shall be complied with.
 - (c) Any notice on behalf of the Company or of the Board shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company.

WINDING UP

166. If the Company is wound up (whether the liquidation is voluntary, under suspension or by the Court) the liquidator may, with the sanction of a Special Resolution of the Company, divide amongst the members in specie or in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

167. Save that this Article shall be without prejudice to the rights of holders of shares issued upon special terms and conditions the following provisions shall apply:

- (i) If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding-up, on the shares held by them respectively; and
- (ii) If in the winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed among the members in proportion to the capital paid up or

which ought to have been paid-up at the commencement of the winding up, on the shares held by them respectively.

168. On the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator unless it shall have been approved by members. The amount of such payment shall be notified to all members at least seven (7) days prior to the general meeting at which the payment of commission or fee is to be considered.

CONFIDENTIALITY

169. Save as may be provided by the Act, no member shall be entitled to enter into or upon or inspect any premises or property of the Company nor to require discovery of any information respecting any detail of the Company's trading, manufacturing or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors would be inexpedient in the interest of the members of the Company if communicated to the public.
170. A Director or officer of the Company shall be entitled, if he thinks fit, to decline to answer any questions concerning the business of the Company, unless required by the law or the relevant authorities, which may be put to him on any occasion (including any meeting of the Company) to disclose or tend to disclose the trade secrets of the Company.
171. Subject to the provisions of the Act but without prejudice to any indemnity to which he may otherwise be entitled, every Director (including alternate Director), Auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company from all and against any liability incurred or sustained by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour (or the proceedings are otherwise disposed of without any findings or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by Court, in respect of any alleged negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

ALTERATION OF ARTICLES

172. These Articles have been drafted in a manner to incorporate the requirements of the relevant governing statutes, regulations and guidelines. Without prejudice to any provisions in the Act or under these Articles pertaining to the amendments of the Articles, in the event the applicable provisions of any relevant governing statutes, regulations and guidelines are from time to time amended, modified or varied, such amendments, modifications or variations shall be deemed inserted herein whereupon these Articles shall be read and construed subject to and in accordance with the amended, modified or varied statutes, regulations and guidelines.

WE the several persons whose names and addresses are subscribed hereunder are desirous of forming ourselves into a company in accordance with these Articles of Association.

SN	NAMES, ADDRESSES AND OCCUPATIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURES OF SUBSCRIBERS
1	MBARARA HIGH SCHOOL OLD BOYS ASSOCIATION, 1347 BULABIRA FLATS LANE (OFF BULABIRA ROAD), NAJJERA 1, KIRA TC, WAKISO DISTRICT, UGANDA	1,000,000	<i>Heus</i>
2	TUMUSHABE GODBER WILSON, P.O BOX 167183, KAMPALA. (LAWYER)	88,000	<i>Godber Wilson</i>
3	MUKALAZI DEUS MUBIRU, P.O BOX 1134, MBARARA. (LAWYER)	70,000	<i>Heus</i>
4	TUSHABE BRUCE, P.O BOX 31762, KAMPALA. (SOCIAL WORKER)	57,000	<i>Bruce Tushabe</i>
5	KABIGUMIRA JACOB, P.O BOX 167183, KAMPALA. (ACCOUNTANT)	30,000	<i>Kabigumira</i>
6	MUGUME JAMES MUHWEZI, P.O BOX 167183, KAMPALA. (ACCOUNTANT)	25,000	<i>Mugume James</i>
7	BAINOMUGISHA OBED, P.O BOX 167183, KAMPALA (ACCOUNTANT)	22,000	<i>Obed</i>
8	NASASIRA DIFASI, P.O BOX 600022, KAMPALA. (ACCOUNTANT)	20,000	<i>Nasasira</i>
9	TINDIWENSI DAN, P.O BOX 4531, KAMPALA. (ENGINEER)	28,000	<i>Dan</i>
10	MUHEREZA EDWIN, P.O BOX 34565, KAMPALA. (LAWYER)	18,000	<i>Edwin</i>
11	TWINAMATSIKO GODFREY, P.O BOX 507, KAMPALA. (BANKER)	18,000	<i>Godfrey</i>
12	AKABWAY STEPHEN, P.O BOX 1337, KAMPALA. (ACCOUNTANT)	18,000	<i>Stephen</i>