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**THE COMPANIES ORDINANCE ( CAP. 212)**

**COMPANY LIMITED BY GUARANTEE**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**..... WATER SUPPLY COMPANY LIMITED**

Incorporated this..... day of ..... 19.....

**DRAWN BY:**

S.A. MASSATI & CO.,  
ADVOCATES  
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**THE COMPANIES ORDINANCE  
(CAP. 212)**

**COMPANY LIMITED BY GUARANTEE**

**MEMORANDUM OF ASSOCIATION OF ..... WATER SUPPLY COMPANY LIMITED**

1. The name of the Company is "..... WATER SUPPLY COMPANY LIMITED'.
2. The Registered Office of the Company will be situated in Tanzania.
3. The objects for which this company is established are:
  - 3.1 To provide, at reasonable rates, potable clean water to inhabitants of ....., ....., ....., and surrounding villages of ..... District, Morogoro Region, Tanzania.
  - 3.2 To operate and maintain all systems for supplying potable clean domestic water (those within the village boundaries and, if need be, those outside the village boundaries) in accordance with the supply capacity available.
  - 3.3 To promote a balanced development of all domestic water supply, hygiene education, economic and effective use of water and awareness of safe water use.
  - 3.4 To ensure the uninterrupted supply of potable clean water for domestic use.
  - 3.5 To purchase, take on lease or in exchange, hire or otherwise acquire and hold any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, machinery, and any real or personal property of any kind necessary or convenient for the purpose of or in connection with the Company's activities or any branch or department thereof.
  - 3.6 To open and operate accounts with any Bank or Banks: and to borrow or raise money as the Company shall think fit, particularly by the issue of debentures or debenture stocks; and to secure the repayment of the money borrowed or raised or owing, by mortgage charge or lien on all or any of the property or assets of the Company (both present and future); and also, by a similar mortgage charge or lien, to secure and guarantee the performance by the Company or any other person or other company, of any obligation undertaken by the Company or any other person or other Company on behalf and with the authority of the Company.
  - 3.7 To grant pensions, allowances, gratuities and bonuses to employees or ex-employees of the Company or their dependants or those connected with the employees; to establish and maintain or concur to establish and maintain trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such employees, their dependants and connections; and to support or subscribe to any charitable funds or institutions the support of which, in the opinion of the Directors, will directly or indirectly benefit the Company or its employees.

- 3.8 To invest and deal with the moneys of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined, provided that such investment end dealing in moneys shall not prejudice the interest, aims and objects of the Company.
  - 3.9 To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise.
  - 3.10 To purchase or otherwise acquire and undertake all or any part of the business, property, assets liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on.
  - 3.11 To sell, improve, manage, develop, lease, mortgage, charge, exchange, dispose of or otherwise deal with all or any part of the property, rights, and assets of the Company as may be deemed expedient with a view to the promotion of its objects.
  - 3.12 To appoint, engage, employ, maintain, provide for and dismiss employees in Tanzania, and to remunerate them at such rate and in such manner as shall be thought fit.
  - 3.13 To take all necessary and proper steps with the relevant authorities, national, local, municipal, or otherwise, in which the Company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification of the Company or furthering the interests of its members, and to oppose any steps taken by any other company or authorities or persons which may be considered likely, or directly or indirectly, to prejudice the interest of the Company or its members.
  - 3.14 To do all such other things as are incidental or conducive to the above objects or any of them. The objects specified in the different sections of this clause shall be regarded as independent objects and accordingly, shall in no wise be limited or restricted by reference from the terms of any other paragraph or the juxtaposition of two or more objects or the name of the Company and that in the event of any ambiguity, this clause and every paragraph thereof shall be construed in such a way as to widen, and not to restrict, the powers of the Company.
4. If upon the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company and which shall prohibit the distribution of its income and property amongst its members to an extent at least as great as is imposed on this Company by virtue of clause 5 hereof; such institution or institutions shall be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given the aforesaid provision, then to some charitable object.
  5. The income and property of the Company, whencesoever derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of

Association; and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Company.

Provided that nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Company or to any member of the Company in return for any service actually rendered to the Company, nor prevent the payment of interest at a reasonable rate and proper rent for premises demised or let by any member to the Company but no remuneration or other benefit in money shall be given by the Company to any member of the governing body except repayment of out-of-pocket expenses and interest as aforesaid on money lent or reasonable and proper rent for premises demised or let to the Company.

6. True accounts shall be kept of the sums of money received and expended by the Company, and the matter in respect of which such receipt and expenditure take place, and of the property, credits, and liabilities of the Company; and subject to any restrictions as to the time and manner of inspecting the same imposed in accordance with the rules and regulations of the Company for the time being in force, shall be open to the inspection of the members. Once at least in every year, the accounts of the Company shall be examined and the correctness of the balance sheet ascertained by one or more properly qualified auditor or auditors.
7. The Liability of the members is limited.
8. Every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding-up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required, but not exceeding TShs. 2000/=.

We, the several persons whose names, addresses and descriptions are hereunder subscribed, are desirous of being formed into a company, in pursuance of this Memorandum of Association.

Dated this                    day of                    19

	<u>Name</u>	<u>Address</u>	<u>Signature</u>
1.	.....	.....	.....
2.	.....	.....	.....
3.	.....	.....	.....
4.	.....	.....	.....
5.	.....	.....	.....
6.	.....	.....	.....
7.	.....	.....	.....
8.	.....	.....	.....
9.	.....	.....	.....
10.	.....	.....	.....

Signed this day ..... of ..... 19.....

In the Presence of:

Signature:.....

Address: .....  
.....

Qualification: .....

**THE COMPANIES ORDINANCE (CAP 212)**

**COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**

**OF**

**..... WATER SUPPLY COMPANY LIMITED**

**PRELIMINARY**

1. For purposes of regulating the number of members of the company, it is declared that their number will not be less than two and not exceed fifty.
2. The regulations in Table "A" in the First Schedule to the Companies Ordinance shall not apply to the Company except in so far as they are repeated or contained in these Articles.
3. In these Articles, if not inconsistent with the subject or contract, the words in the first column of the following table shall bear the meaning set opposite them in the second column of the table.

**Words**

**Meanings**

The Ordinance	-	The Companies Ordinance Cap. 212
The Articles	-	The Articles of Association as originally framed or as from time to time altered by Special Resolutions.
Company	-	The ..... Water Supply Company Limited.
The Office	-	The Registered Office of the Company.
Board	-	The Board of Directors of the Company or the Directors present at a duly convened meeting of the Board of Directors at which a quorum is present.
Director	-	A member of the Board of Directors of the Company
The Register	-	The Register of Members of the Company required to be kept by section 96 of the Ordinance.
The Seal	-	The Common Seal of the Company.
In Writing	-	Printed or lithographed or in any other mode of representing or reproducing words in visible form.

- Special Resolution - A resolution passed at a General Meeting of which not less than twenty-one days notice specifying the intention to propose the resolution as a special resolution is given.
- Ordinary Resolution - A resolution passed by a simple majority at any General Meeting.
- The Manager, Auditor, Secretary, Treasurer - Any person appointed to perform the duties of Manager, Auditor, Secretary or Treasurer of the Company or User Group.
- A Public Domestic Water Point - A shallow well with a hand pump installation or a public tap point, connected to a piped water supply.
- Household - A unit consisting of a husband and wife with or without children below 18 years, each wife with or without children below 18 years in a polygamous marriage and individual adults of 18 years and above who are registered on their own standing.
- User Group - A group of households who share the use of one Public Domestic Water Point and households, businesses and institutions that are located in the vicinity of mentioned Public Domestic Water Point or any other households, businesses and institutions that the Company may designate as a group of domestic water users.

- Words importing the masculine gender also shall include the feminine gender.
- Any words or expressions defined in the Ordinance, or the law amending it, shall bear the same meaning in these Articles.

4. The Company is a Private Company limited by guarantee and is established for the purposes as expressed in the Memorandum of Association.

### **MEMBERS**

5. The number of members with which the Company proposes to be registered will come from the User Groups. The number of members will increase in accordance with the number of User Groups, provided such number shall not exceed fifty.
6. Those eligible to be Company members will only be registered inhabitants of places mentioned in clause 3.1 of the Memorandum of Association and shall be elected from the Committees of one or more User Groups.



The User Group Committee shall consist of a Chairperson, a Secretary, a Treasurer and three ordinary members. The number of females in this Committee must at least be three.

7. All Company members are eligible for election as Directors according to the provision of clause 38 of these Articles.
8. In case membership of an elected member ceases for any of the reasons mentioned in 9 and 10 below or because of death, election of a new member to represent the User Group concerned shall be carried out within a period of thirty days.
9. Any member of the Company who shall desire to retire shall signify such desire in writing to the Board of Directors and there upon his/her name shall be removed from the list of members and he/she shall be deemed to have retired.
10. Membership of the Company will cease if members of the User Group decide he should not represent them prior to the Annual General Meeting or if he leaves the places mentioned in clause 6 above for good, whichever comes first.
11. Any member representing a User Group will cause the User Group he represents to lose the services of the Company if he does not abide by the regulations set out in these Articles or by the resolutions of members at their Annual General Meeting.

#### **GENERAL MEETINGS**

12. The first General Meeting shall be held at such time, not being less than one month nor more than three months after the incorporation of the Company, and shall be held at such time and place as the Board shall appoint.
13. A General Meeting shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the preceding General Meeting) and shall be held at such time and place as the Board shall appoint.
14. The above mentioned General Meetings shall be called "Annual General Meetings" and all other meetings of the Company shall be called "Extraordinary General Meetings".
15. The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitioner, as provided by Section 114 of the Ordinance.

If at any time there are not sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which Meetings may be convened by the Directors.

### NOTICE OF GENERAL MEETINGS

16. Subject to the provisions of Section 117 (2) of the Ordinance relating to special resolutions, twenty one days' notice at least (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which notice is given) specifying the place, and the hour of meeting and, in case of special business, the general nature of that business, shall be given in *the* manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the Company in General Meeting to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company, but with the consent of all the members entitled to receive notice of some particular meeting, that meeting may be convened by such shorter notice and in such manner as those members may think fit.
17. The accidental omission to give notice of a Meeting to, or the non-receipt of notice of a Meeting by any member shall not invalidate the proceedings at any Meeting.

### PROCEEDINGS AT GENERAL MEETINGS

18. All business shall be deemed special that is transacted at an Extraordinary Meeting, and all that is transacted at an Annual General Meeting, with the exception of the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, the election *and* deletion of Directors and other officers and the appointment of and the fixing of the remuneration of the Auditors, shall be ordinary business.
19. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, half of the members personally present shall be a quorum.
20. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved: in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
21. The Chairperson, if any, of the Board of Directors shall preside as Chairperson at every General Meeting of the Company.
22. If there is no such Chairperson, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson, the members present shall choose some one of their number to be Chairperson.
23. The Chairperson may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
24. 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 so demanded, a declaration by the Chairperson that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of 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, that resolution.

25. If a poll is duly demanded it shall be taken in such manner as the Chairperson directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
26. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairperson 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.
27. A poll demanded on the election of a Chairperson, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairperson of the meeting directs.

#### **VOTES OF MEMBERS**

28. Every member on the current Company register of members, which must be available at all general meetings, shall have one vote.
29. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his manager, curator, or any other person who may, on a poll, vote by proxy.
30. No member shall be entitled to vote at any General Meeting unless all moneys presently payable by the User Group he represents to the Company have been paid.
31. On a poll votes may be given either personally or by proxy.
32. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the seal, or under the hand of an officer or attorney so authorised. A proxy can only be a member of the Company or that member's spouse.
33. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding a meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
34. An instrument appointing a proxy may be in the following form, or any other form which the Directors shall approve:

"..... Water Supply Company Limited.

I..... of ..... being a member of the ..... Water Supply Company Limited, hereby appoint..... of ..... as my proxy to vote for me on my behalf at the (ordinary or extraordinary, as the case may be) General Meeting of the Company to be held on the..... day of 19.... and at any adjournment thereof.

Signed this..... day of ..... 19.....

(Signature) ....."

35. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
36. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no information in writing of such death, insanity or revocation as aforesaid shall have been received by the Company at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

### DIRECTORS

37. Directors shall be appointed by members at Annual General Meeting. Until otherwise determined by a General Meeting, the number of Directors shall not be less than five nor more than ten. The Board of Directors shall consist of a Chairperson, Secretary, Treasurer and other members.
38. The subscribers to these Articles of Association shall be among the first members of the Board. Only members of the company shall be eligible to be members of the Board.
39. At the first Annual General Meeting and every subsequent Annual General Meeting of the Company all the members of the Board shall retire from office.
40. Retiring members of the Board shall be eligible for re-election.
41. The Company may from time to time in a General Meeting increase or reduce the number of Directors.
42. Any casual vacancy occurring in the Board of Directors may be filled by the Directors but the person so chosen shall be subject to confirmation by members at the next General Meeting and he will be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
43. The Company may by extraordinary resolution remove any Director before the expiration of his period of office, and may by an ordinary resolution, appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected or appointed a Director.
44. A resolution in writing signed by all the Directors shall be as valid and effectual as if it has

been passed at a Meeting of the Directors duly called and constituted.

45. A member of the Board of Directors who is out of Morogoro Region or about to go out of the Region may with the approval of the Directors by notice in writing under his hand appoint any other Director as his/her alternate Director during his absence.

#### **POWER AND DUTIES OF DIRECTORS**

46. The business of the Company shall be managed by the Directors themselves or through a Manager with the assistance of such other officers, including an administrator, an accountant, a technician or any other officers as the Directors deem fit. And the Directors shall have power to make such rules and regulations for the management of the business and property of the Company as they shall from time to time think proper and shall carry on the business of the Company in such manner as they may think most expedient.
47. It shall be the duty of the Secretary of the Board to attend to all correspondence of the Company, to take minutes of all meeting of the Company and of the Board and, generally, so far as lies within his/her power, to ensure compliance with all statutory requirements with to the Company, it shall further be the duty of the Secretary to act under the advice / direction of the Board of Directors.
48. The Treasurer of the Board shall be responsible for all the accounts work of the Company, keeping proper records of account, banking, cash-in-hand, and such other incidental duties of bookkeeping and accounts and shall abide with the directives of the Board and the Secretary.
49. All cheques, promissory notes, 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 Board shall from time to time by Resolution determine.
50. The Directors may exercise all the powers of the Company that are not forbidden by the Ordinance or by those presently required to be exercised by the Company in a General Meeting, including power from time to time to make, alter and repeal such rules, regulations and by-laws, fix such fees and employ or dismiss such employees as they may deem necessary, expedient or convenient for the proper conduct, management, control and direction of any function in the Company subject nevertheless to the provisions of the Ordinance, and to such Regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Ordinary Resolution of the Company but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made: provided however that the Directors shall not without the authority of an Ordinary Resolution of the Company arrange terms for the amalgamation of the Company with any other Company or individual or sell or dispose of the business or undertaking of the Company.

The general powers given by this rule shall not be limited or restricted by any special authority or power given to the Directors by any other rule.

51. The Directors shall cause minutes to be made in books provided for the purpose of:

- (a) all appointments of officers made by the Directors;
- (b) the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
- (c) all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors.

#### **DISQUALIFICATION OF DIRECTORS**

52. The office of Director shall be vacated if the Director:

- (a) Without the consent of the Company in General Meeting holds any office of profit under the Company, or
- (b) Becomes prohibited from being Director by reason of any order made under the Ordinance, or
- (c) Is found lunatic or becomes of unsound mind, or
- (d) Is removed from his office by his appointor, or
- (e) Ceases to be a member of the Company, or
- (f) Resigns his office by notice in writing to the Company, or
- (g) Is directly or indirectly interested in any contract with the Company and fails to declare the nature of his interest, or
- (h) Fails to attend two consecutive meetings of the Board without notice and the Directors resolve that the office be declared vacant.

A Director shall not vote in respect of any contract in which he is interested or any matter arising there out, and if he does so vote his vote shall not be counted.

#### **PROCEEDINGS OF DIRECTORS**

53. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairperson shall have a second or casting vote. Any two members of the Board may at any time summon a meeting of the Board. Seven days' notice in writing shall be given to the members of the Board of any such meeting (exclusive of the date on which the notice is posted and the date for which the meeting is called).
54. The quorum necessary for the transaction of the business of the Directors may be fixed by the

Directors, and unless so fixed shall, be half of the members of the Board including at least one member other than the Chairperson, Secretary and Treasurer. A member of the Board may arrange for any other member thereof, or any other person approved by the Board, to be alternate member to attend and vote on his behalf at any meetings of the Board at which he is unable to be personally present.

55. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to the required number, or of summoning a General Meeting of the Company.
56. The Chairperson of the Company, if present, shall preside over the meetings of the Board. If at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the same, or is unwilling to act as such, the Directors present shall choose one of them to chair the meeting.
57. The Directors may delegate any of their powers to Committees consisting of such persons whether members or not as they shall think fit to appoint and may recall or revoke any such delegation or appointment. Any such Committee shall, in the exercise of the powers so delegated, conform to any regulations that may be prescribed by the Directors.
58. A committee may elect a Chairperson of its Meetings; if no such Chairperson is elected, or if at any Meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairperson of the Meeting.
59. A committee may meet and adjourn as it thinks proper. Questions arising at any Meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the Chairperson shall have a second or casting vote.
60. All acts done by any Meeting of the Directors or of a committee of Directors, or by any person acting on behalf of the Board, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid or that they or many of them were disqualified, be as if every such person had been duly appointed and was qualified to be a Director.
61. No single Director shall have power to allocate donations, subscriptions or funds as they are remitted to any particular branch of the Company's work but this allocation shall be entirely under the control of the Board.

#### ACCOUNTS

62. The Directors shall cause proper books of accounts to be kept with respect to:
  - a) All sums of money received and expended by the Company and the matter in respect of which the receipt and expenditure take place.
  - b) All sales and purchases of goods by the Company; and

- c) The assets and liabilities of the Company.
- 63. The books of accounts shall be kept at the Registered Office of the Company, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
- 64. The Directors shall from time to time determine whether 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 open to the inspection of members not being Directors, and no member (not being a Director) shall have a right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting.
- 65. The Directors shall from time to time in accordance with the Ordinance cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets and reports as are referred to in the Ordinance.
- 66. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting together with a copy of the Auditor's report shall, not less than twenty one days before the date of the Meeting, be sent to all persons entitled to receive notices of General Meetings of the Company.
- 67. The income of the Company shall be applied solely towards the promotion of the objects of the Company as set forth in its Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Company.

#### AUDIT

- 68.
  - a) The Company shall at each Annual General meeting appoint the external Auditor or external Auditors to hold office until the next Annual General meeting.
  - b) A member of the Board or Officer of the Company shall not be capable of being the appointed Auditor of the Company.
  - c) The Board may fill any vacancy in the Office of Auditor, but while any such vacancy continues, the serving Auditor or Auditors, if any may act.
  - d) The remuneration of the Auditors of the Company shall be fixed at the Annual General meeting, except the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.
- 69.
  - a) Every Auditor of the Company shall have the right of vouchers of the Company, and shall be entitled to access at all times to the books and accounts and require from the Board and Officers of the Company such information and explanations as may be necessary for the performance of the duties of the Auditors.
  - b) The Auditors shall make a report to the members of the Company on the accounts



examined by them and on every balance sheet laid before the Company at its Annual General Meeting during their tenure of office and the report shall state

- (i) Whether or not they have obtained all the information and explanations they have required and
  - (ii) Whether, in their opinion, the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs in accordance to the best of their information and explanations given to them, and as shown by the books of the Company.
- c) The balance sheet shall be signed on behalf of the Board by two of the members of the Board, and the Auditor's report shall be attached to the balance sheet, or there shall be inserted at the foot of the balance sheet a reference to the report and the report shall be read before the Company at the Annual General Meeting and shall be open to inspection by the members of the Company. Any member shall be entitled to be furnished with a copy of the balance sheet and Auditor's report at a charge to be prescribed by the Board.

#### THE SEAL

70. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors, and in the presence of a Director and of the Secretary or such other person as the Directors may appoint for the purpose; and that Director and the Secretary or other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

#### NOTICES

71. A notice may be delivered by hand by a Company officer or employee, by any messenger or method normally employed by the Company for delivery of correspondence, through the post to the members registered address, or if he has no registered address within Tanzania to the address, if any, within Tanzania supplied by him to the Company for the giving of such notices.
72. If the member has no registered address within Tanzania for the giving of notices to him, a notice addressed to him shall be prominently displayed on the Company notice board normally used for Company notices and shall be deemed to have been duly given to him on the date on which the notice appears.
73. Notice of every General Meeting shall be given in manner hereinbefore authorised to every member except those members who (having no Registered Address within Tanzania) have not supplied to the Company an address within Tanzania for the giving of notice to them. No other persons shall be entitled to receive notices of General Meetings.

#### INDEMNITY

74. Every director, manager, agent, auditor, secretary and other officer or employee of the Company shall be entitled to be indemnified out of the assets of the Company against all losses

or liabilities incurred by him or her in or about the execution of his or her office or otherwise in relation thereto; provided that no person shall be entitled to be indemnified by the Company under this Article in any matter arising through his or her own wilful default.

In witness whereof the subscribers to these Articles of Association have hereto set and subscribed their names at the places and on the dates hereafter written.

Dated this            day of            19

Name

Address

Signature

1. ....
2. ....
3. ....
4. ....
5. ....
6. ....
7. ....
8. ....
9. ....
10. ....

Signed this day ..... of ..... 19.....

In the Presence of:

Signature: .....

Address: .....

Qualification: .....