



**THE COMPANIES ACT (CHAPTER 486)**

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**COMPANY LIMITED BY SHARES**

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**Memorandum of Association  
of**

**JUBILEE HOLDINGS LIMITED<sup>1</sup>**

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1. The name of the Company is “JUBILEE HOLDINGS LIMITED.”<sup>2</sup>
2. The Registered Office of the Company will be situate in the Republic of Kenya.
3. The objects, for which the Company is established are:
  - (a) To carry on, in any part of the world and more particularly in Kenya and elsewhere all kinds of Insurance Business and all kinds of Guarantee and Indemnity Business and without prejudice to the generality of the foregoing words, to carry on life, fire, storm, marine, aerial, accident, employers’ liability, workmen’s compensation , disease, sickness, survivorship, failure of issue, burglary, robbery, theft, fidelity and transit insurance and in particular:-
    - i. To carry on the business of life assurance in all its branches and in particular to grant or effect assurance of all kinds for payment of money by way of a single payment, or by several payments or by way of immediate or deferred annuities or otherwise, upon the happening of all or any of the following events, namely, the death, or marriage or birth, or survivorship, or failure of issue of or the attainment of a given age by any person or persons, or the expiration of any fixed or ascertainable period, or the occurrence of any contingency or event which would or might be taken to affect the interest, prospective, or otherwise, of any person or persons in any property, or the loss or recovery of contractual or testamentary capacity in any person or persons, and also (in connection with assurances of the life or lives of

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<sup>1</sup> Amended by Special Resolution dated 9<sup>th</sup> March 2005

<sup>2</sup> Amended by Special Resolution dated 9<sup>th</sup> March 2005

the same person or persons, but not otherwise) to grant assurances payable upon or after the happening of personal injuries caused by accident of any description, or upon the happening of sickness or bodily or mental incapacity.

- ii. To grant policies or other instruments of assurance against or assuring compensation or payment in case of death, injury to health or limb by railway accident or shipwreck or other perils of land, water or air, or any other accident or misadventure, and also to assure payment during sickness or incapacity arising from general or other than the above causes.
  - iii. To insure houses, tenements, merchandise, and all other property and effects, real and personal, against loss or damage by fire, storm, accident or otherwise, and to carry on the ordinary business of fire insurance in all its branches.
  - iv. To rebuild, repair, replace or reinstate houses, buildings, machinery, and every other description of property which may be insured by the Company, and to carry on any kind of business necessary or expedient for any such purposes.
  - v. To insure against every description of marine risks and aerial navigation risks which may legally be undertaken, relating to the perils of the sea, and air, fire, war, reprisals, and all other risks of a like nature incidental to navigation (marine or aerial), ships, aeroplanes, vessels and crafts of all descriptions and also the freights, goods, merchandise, cargo, earnings, and property whatsoever, in or on board of the same, whether the property of members of the Company, or otherwise, howsoever, so far as the same may be effected or made according to law.
  - vi. To insure all other matters and things which lawfully may or can be from time to time insured, or be the subject of insurance against perils of the sea or air, and also generally to carry on all other branches and departments of the business of marine and aerial navigation insurance.
  - vii. To insure against all manner of accidents, liability or guarantee and to do every other description of insurance business kindred to the above inclusive of all powers incidental to or necessary for the fulfillment of the objects aforesaid.
- (b) To acquire or extinguish or otherwise deal with any insurance made with the Company.

- (c) To grant, purchase, or sell endowments and annuities either for lives or for years, or on survivorships and either immediate, deferred, determinable, contingent, or reversionary and other estates, interests, and securities, whether in real or personal property, and generally to undertake and transact all matters and business which may be in any way connected with or depend on contingencies.
- (d) To reinsure or counter-insure any of the risks undertaken by the Company.
- (e) To effect as Agents for other companies assurances of every kind and against every and any contingency.
- (f) To advance moneys at interest on the security of any freehold, leasehold, or other property, or of any estate or interest in such property.
- (g) To grant annuities of all kinds, whether dependent on human life, and whether perpetual or terminable, and whether immediate or deferred, and whether contingent or otherwise, and generally to transact the business of a Life Assurance Company, which may be in any way connected with or dependent on the contingencies of human life which may be undertaken and transacted according to law.
- (h) To contract with leaseholders, borrowers, lenders, annuitants and others for the establishment, accumulation, provision and payment of sinking funds, redemption funds, depreciation funds, renewal funds, endowment funds, and any other special funds and that either in consideration of al lump sum or of an annual premium or otherwise, and generally on such terms and conditions as may be arranged.
- (i) To purchase and deal in, or accept by way of exchange remissionary or other interest in property of all kinds whether absolute, contingent or expectant, and whether determinable or not, and to acquire, accept by way of mortgage or exchange, redeem, cancel or extinguish by purchase, surrender or otherwise any policy, security, grant or contract issued, made or taken over, or entered into by the Company.
- (j) To lend and advance money at interest upon security including the lending of money upon policies issued by the Company, or in respect of which it is liable, and to apply any of the funds of the Company in buying up, canceling, extinguishing, or obtaining a release from any policy, contract or liability.
- (k) To pay, satisfy or compromise any claims made against the Company in respect of any policies or contracts granted by the Company, or

otherwise which it may seem expedient to pay, satisfy or compromise, notwithstanding that the same may not be valid in law.

- (l) To enter into any arrangement for sharing profits, cooperation, joint adventure, reciprocal concession, or otherwise with any person or Company carrying on or engaged in or about to carry on or engage in, any business or transaction capable of being conducted so as directly or indirectly to benefit the Company.
- (m) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property both present and future including its uncalled capital, and to purchase, redeem, or pay off any such securities.
- (n) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights of the Company.
- (o) Generally to purchase, take on lease or exchange, or hire or otherwise acquire, any real and personal property, and any rights or privileges which the Company may think necessary or convenient for the purpose of its business.
- (p) To take or otherwise acquire, and hold shares in any other Company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (q) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (r) To remunerate any persons or company for services rendered or to be rendered, in placing or assisting to place or guaranteeing the placing of, any of the shares in the Company's capital, or any debentures, debenture stock or other securities of the Company, or in or about the formation or promotion of the Company or the acquisition of property by the Company or the conduct of its business.
- (s) To procure the registration or incorporation of the Company in or under the laws of any place outside Kenya.

- (t) To do all or any of the above things as principals, agents, contractors, trustees, or otherwise and by or through trustees, agents, or otherwise, and either alone or in conjunction with others.
- (u) To undertake the office of trustee, receiver, liquidator, executor, administrator, committee, manager, attorney, delegate, substitute, treasurer and any other office or situation of trust or confidence and to perform and discharge the duties and functions incident thereto and to apply to Court or other authority or persons for the grants of probate, letters of administration or other legal authorities or powers in respect thereof, as a creditor or otherwise and generally to transfer all kinds of trust and agency business either on payment of reasonable remuneration or otherwise. To act as executor and/or trustee of any will or settlements made by customers or other persons and otherwise to act and to undertake and execute trusts of all kinds and to apply for and obtain grants of letters of administration as administrators of any estate when necessary or desirable in the interest of the Company.
- (v) To sell or dispose of the undertaking of the Company or any part thereof, for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
- (w) To give to any class or section of those who assure or have other dealings with the Company, any rights over or in relation to any fund or funds, or a right to participate in the profits of the Company or in the profits of any particular branch or part of its business.
- (x) To do all such things as are incidental or conducive to the attainment of all or any of the above objects.
- (y) None of the foregoing sub-clauses, or the objects therein specified or the powers thereby conferred, shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause, but the Company shall have full powers to exercise all or any of the powers conferred by any part of this clause in any part of the world, and notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clause of this clause.
- (z) To act as an investment holding company and to co-ordinate the business of any companies in which the Company is for the time being interested, and to acquire (whether by original subscription, tender, purchase, exchange or otherwise) the whole of or any part of the stock, shares, debentures, debenture stocks, bonds and other securities issued or guaranteed by any body corporate constituted or

carrying on business in any part of the world or by any government, sovereign ruler, commissioners, public body or authority and to hold the same as investments, and to sell, exchange, carry and dispose of the same.<sup>3</sup>

(aa) To carry on the businesses of consultants, advisers, financiers, bankers, advertising agents, brokers and to carry on management and agency business of all kinds and generally to render services of all kinds to others.<sup>4</sup>

(bb) To carry on any other trade, business or activity whatsoever and to do anything of any nature which can, in the opinion of the Directors of the Company, be advantageously or conveniently carried on by the Company in connection with, as ancillary to or independently of any of its businesses.<sup>5</sup>

4) The liability of the Shareholders of the Company is limited.

5) The capital of the Company is Kenya Shillings 200,000,000 divided into 40,000,000 ordinary shares of Kenya Shillings five each; with power to increase or reduce the Capital, to divide the shares of the Capital for the time being into several classes and to attach thereto respectively such ordinary or preferential rights, privileges and conditions in such manner as the Company may, from time to time, determine.

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

Name of Subscribers	Address	Descriptions	No. of Shares taken by each Subscriber.
1. Gulamhusein Mohamed Nasser Jindani	P. O. Box 184, Zanzibar	Merchant	500
2. Mahomed Varas Saleh Kassam	P. O. Box 309, Zanzibar	“	500
3. Saleh Gangji Velani	P.O. Box 241 Zanzibar	Banker	500
4. Hassan Kassim Lakha	P.O. Box 312 Kampala	Merchant	500

<sup>3</sup> Amended by Special Resolution dated 18th December 2006

<sup>4</sup> Amended by Special Resolution dated 18th December 2006

<sup>5</sup> Amended by Special Resolution dated 18th December 2006

5. Premji Dhanji	P.O. Box 271 Mombasa	“	500
6. Hussein Janmahomed	P.O. Box 121 Mombasa	“	500
7. Kassamali Rajabali Paroo	P.O. Box 228 Mombasa	“	500

**DATED the 3<sup>rd</sup> day of August 1937.**

**THE COMPANIES ACT (CHAPTER 486)**

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**COMPANY LIMITED BY SHARES**

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**Articles of Association of**

**JUBILEE HOLDINGS LIMITED<sup>6</sup>**

(Reprinted to include Articles of Association adopted on 24<sup>th</sup> September, 1983)

**PRELIMINARY**

1. The regulations in Table “A” in the First Schedule to the Companies Act (Chapter 486) shall not apply to the Company. Table “A”  
not to apply
2. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof. Interpretation

**WORDS**

**MEANINGS**

The Act			The Companies Act (Chapter 486), and every statutory modification for the time being in force. <sup>7</sup>
These presents			These Articles of Association, as now framed, or as from time to time altered by Special Resolution.
Office	...	...	The Registered Office of the Company.
Seal	...	...	The Common Seal of the Company.
Month	...	...	Calendar Month.
Year	...	...	Calendar Year.
Writing	...	...	Unless the contrary intention appears, “writing” shall be construed as including references to printing, lithography, photography, and other modes of

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<sup>6</sup> Amended by Special Resolution dated 9<sup>th</sup> March 2005

<sup>7</sup> Amended by Special Resolution dated 18<sup>th</sup> December 2006



			representing or reproducing words in a visible form.
Dividend	...	...	Dividend and/or bonus.
East Africa	...	...	Kenya, Tanzania and Uganda.

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The expressions “Debenture” and “Debenture holder” shall include “Debenture Stock” and “Debenture Stockholder”, and the expression “Secretary” shall include a temporary or assistant Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.

Save as aforesaid any words or expressions defined in the Act shall, if not, inconsistent with the subject or context, bear the same meaning in these presents.

The marginal notes are inserted for convenience only and shall not affect the construction of these presents.

Words importing the singular number only shall include the plural and the converse shall also apply.

Words importing males shall include females.

## **LOANS BY THE COMPANY**

Company’s own shares not to be purchased      3. No part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company’s shares. The Company shall not, except as authorised by the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company.

## **RIGHTS OF SHAREHOLDERS**

Issue of shares subject to special conditions      4. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided by the next following Article) any share in the Company (whether forming part of the original capital or not) may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine, and subject to the provisions of the Act the Company may issue Preference Shares which are, or which at the option of the Company are to be, liable to be redeemed.

## MODIFICATION OF RIGHTS

How special rights of shares may be modified

5. Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Act, be modified or abrogated, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of a Special Resolution passed at a separate General Meeting of such holders (but not otherwise), and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company or to the proceedings thereat, shall *mutatis mutandis*, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-half in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those Members who are present shall be quorum), and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

## SHARES

Unissued shares at the disposal of Directors

6. Subject to the provisions of Article 40, unissued shares shall be at the disposal of the Directors, and they may allot, grant options over, or otherwise dispose of them to such persons, at such times, and on such terms as they think proper, but so that no shares shall be issued at a discount, except in accordance with the Act.

Power to pay commissions and brokerage

7. In addition to all other powers of paying commissions, the Company (or the Directors on behalf of the Company) may exercise the powers of paying commissions conferred by the Act, provided that the rate per cent, or the amount of commission paid or agreed to be paid, shall be disclosed in the manner required by the Act and the rate of the commission shall not exceed the rate of Ten per cent (10%) of the price at which the shares in respect of which the commission is paid are issued or an amount equivalent thereto. The Company (or the Directors on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.

Exclusion of equities

8. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents otherwise provided or as by the Act required or under an order of

a Court of competent jurisdiction) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder, provided that the Directors may in their sole discretion register any share in the joint names of any two or more persons who may have an interest therein.

## **CERTIFICATES**

Issue of  
Certificates

9. Every person whose name is entered as a Member in the Register of Members shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) One certificate for all his shares of any one class or several certificates each for one or more of his shares upon payment of such sum, not exceeding Kenya Shillings Two for every certificate after the first as the Directors shall from time to time determine. Every certificate shall be issued under the Seal and need not be signed. The certificate shall specify the shares or securities to which it relates and the amount paid up thereon. Provided that the Company shall not be bound to register more than three persons as the joint holders of any shares (except in the case of executors or trustees of a deceased Member), and, in case of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate therefore, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

Renewal of  
Certificates

10. If a share certificate be worn out, defaced, lost or destroyed, it may be renewed on payment of such fee (if any) not exceeding Kenya Shillings Five and on such terms (if any) as to evidence, indemnity and the payment of out-of-pocket expenses of the Company for investigating evidence, as the Directors think fit.

## **LIEN**

Company's  
lien

11. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (including fully paid shares) standing registered in the name of each Member (whether solely or jointly with others) for all the debts and liabilities of such Member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such Member, and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or

not. The Company's lien (if any) on a share shall extend to all dividends payable thereon but the Directors may at any time declare any share to be exempt wholly or partially from the provisions of this Article.

Sale of shares subject to lien      12 The Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled by reason of his death or bankruptcy to the shares. For giving effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in 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.

Application of proceeds of such sale      13. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale.

## CALLS ON SHARES

Calls      14. The Directors may from time to time make calls upon the Members in respect of any moneys (whether on account of the amount of the shares or by way of premium) unpaid on their shares, provided that except as otherwise fixed by the conditions of application or allotment) no call on any shares shall exceed one-fourth of the nominal amount of the share or be payable at less than fourteen days from the last call, and each Member shall (subject to receiving at least fourteen 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. A call may be revoked or postponed as the Directors may determine.

Time when made      15. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. A call maybe made payable by instalments.

Liability of joint holders      16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Interest on calls 17. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding Ten per cent (10%) per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

Sums due on allotment to be treated as calls 18. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall for all the purposes of these presents 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 case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Power to differentiate 19. The Directors may from time to time make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the times of payment.

Payment of calls in advance 20. The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced, and upon the moneys so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the Member paying such sum and the Directors agree upon.

## TRANSFER OF SHARES

Form of transfer 21. Subject to the restrictions of these presents, all transfers of shares may be effected by transfer in writing in the usual common form or in any other form in writing under hand approved by the Directors.

Execution 22. The instrument of transfer of a share shall be in writing and shall be signed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof, provided that the Directors may dispense with the execution of the instrument of transfer by the transferee in any case in which they think fit in their discretion so to do.

Transfer of Shares	23. Shares in the Company may be transferred to any person.
Directors' refusal to register, and closing register	24. The Directors may, subject to compliance with the requirements of the Act as to advertisement, suspend the registration of transfers at such times and for such periods as they may from time to time determine, but so that such registration shall not be suspended for more than Thirty days in any year.
Instruments of transfer	25. All instruments of transfers which 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 it with the Company.
Directors' further rights of refusing transfer	The Directors may decline to recognize any instrument of transfer of a share on which the Company has a lien. The Directors may also decline to recognize any instrument of transfer unless:-
Fee payable	(a) Such fee, not exceeding Kenya Shillings Five as the Directors may from time to time require, is paid to the Company in respect thereof; and
Deposit of transfer	(b) The instrument of transfer is deposited at the Office or such other place as the Directors may appoint, accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
One class only	(c) The instrument of transfer is in respect of only one class of share. <sup>8</sup>
Fee for registration of Probate etc.	26. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the Register affecting the title to any share, such fee, not exceeding Kenya Shillings Five, as the Directors may from time to time require or prescribe.
Renunciation of allotment	27. Nothing herein contained shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

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<sup>8</sup> Amended by Special Resolution dated 18th December 2006

## TRANSMISSION OF SHARES

Transmission  
on death

28. In case of the death of a Member the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only survivor holder shall be the only persons recognized by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

Registration  
of Executors  
and Trustees  
in Bankruptcy

29. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may from time to time be required by the Directors, and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

Notice of  
election to be  
registered and  
registration of  
nominee

30. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing to his nominee a transfer of such share. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

Rights of  
unregistered  
executors and  
trustees

31. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for all dividends and other moneys payable in respect of the shares, but he shall not be entitled to receive notices of or to attend or vote at meetings of the Company or, save as aforesaid, to any of the rights or privileges of a Member until he shall have become a Member in respect of the share, and should he fail either to transfer the share or to elect to be registered as a Member in respect thereof with sixty days of being required so to do by the Directors, he shall in the case of shares which are fully paid up be deemed to have elected to be registered as a Member in respect thereof, and may be registered accordingly.

## FORFEITURE OF SHARES

Notice  
requiring  
payment of  
Calls

32. If a Member fails to pay the whole or any part of any call or installment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of

such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all expenses which may have been incurred by the Company by reason of such non-payment.

Notice to state time and place for payment

33. The notice shall name a further day (not being less than seven days from the date of the notice) on or before which and the place where 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 and at the place appointed the shares in respect of which the call was made will be liable to be forfeited.

Forfeiture on non-compliance with notice

34. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.

Notice after forfeiture

35. When any share has been forfeited in accordance with these presents, notice of the forfeiture shall forthwith be given to the holder of the share, or the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the Register of Members opposite to the entry of the shares; but no forfeiture shall be in any manner invalidated by any accidental omission or neglect to give such notice or to make such entry as aforesaid.

Sale of forfeited shares

36. A forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was, before forfeiture, the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition, the forfeiture may be cancelled on such terms as the Directors think fit. The Directors may if necessary, authorize some person to transfer a forfeited share to any such other person as aforesaid.

Rights and liabilities of Members whose shares have been forfeited

37. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at the date of the forfeiture, were payable by him to the Company in respect of the shares, with interest thereon as shall be determined by the Directors from the date of forfeiture until payment, but the Directors may waive payment of such interest either wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the



time of forfeiture.

Title forfeited shares to 38. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share has been duly forfeited on the 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, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the certificate of proprietorship of the share under seal delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of, shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

## INCREASE OF CAPITAL

Power increase capital to 39. The Company may from time to time by Ordinary Resolution increase its share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

Allotment of new shares to 40. The Company may by Ordinary Resolution direct that the new shares, or any of them, shall be offered in the first instance, either at par or at a premium, to the then Members or to the holders of any class of shares for the time being, in proportion to the number of shares or shares of the class or group held by them respectively, or make any other provisions as to the issue of the new shares.

Rights and liabilities attached to new shares to 41. All new shares shall be subject to the provisions of these presents with reference to payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with the powers contained in these presents, shall be Ordinary shares.

## ALTERATIONS OF CAPITAL

42. The Company may by Ordinary Resolution:-

Power to consolidate shares to (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

Power to cancel shares to (b) Cancel any shares which, at the date of the passing of the

resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.

Power to sub-  
divided  
shares

(c) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Act), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

And may by Special Resolution :-

Power to  
reduce capital

(d) Reduce its capital or any capital redemption reserve fund or any share premium account in any manner authorized by the Act.

## STOCK

Conversion  
into stock

43. The Company may by Ordinary Resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.

Rights of  
Stockholders  
to transfer  
stock

44. The holders of stock may transfer the same, or any part thereof in the same manner, and subject to the same regulations 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; and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Other rights  
and privileges  
of  
Stockholders

45. The holders of stock shall, according to the amount of 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 privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Application  
of certain  
regulations to  
stock and  
Stockholders

46. Such of the regulations of the Company as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder."

## GENERAL MEETINGS

Annual  
General  
Meetings

47. A General Meeting shall be held as the Annual General meeting once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. The General Meetings referred to in this Article shall be called "Annual General Meetings." All General Meetings other than Annual General Meetings shall be called "Extraordinary Meetings."

Extraordinary  
Meetings

48. The Directors may call an Extraordinary Meeting whenever they think fit and shall, on requisition in accordance with the Act, proceed to convene an Extraordinary Meeting as required by the Act. In the case of Extraordinary General Meeting called in pursuance of a requisition, unless such meeting shall have been called by the Directors, no business other than that stated in the requisition as the object/s of the meeting shall be transacted.

## NOTICE OF GENERAL MEETINGS

Notice of  
General  
Meetings  
required

49. A General meeting shall be called by twenty-one days' notice in writing at the least. To the extent permissible by law, the Company may serve any notice to be given to members by publishing such notice in one daily newspaper with nation wide circulation for two days; or by electronic mail or by other electronic means not prohibited by law including the publication thereof on the Company's website; or by sending such notice through the post addressed to such member at their registered postal address; or by facsimile transmission to such member at their registered facsimile address. The notice shall specify the date, place and hour of the meeting, the physical, postal or electronic addresses to which communications may be relayed and, in the 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, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called as the annual general meeting ,  
by members present and entitled to vote thereat; and

(b) in the case of any other meeting, by a majority in number of

the members having a right to attend and vote at the meeting, being a majority together not holding less than seventy-five per cent (75%) in nominal value of the shares giving that right.<sup>9</sup>

Omission and non receipt of notice

50. The notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day for which it is given, and shall specify the place, the day, and the hour of meeting, and in case of special business, the general nature of such business (and in the case of a meeting convened for passing a Special Resolution, the intention to propose such resolution as a Special Resolution), and shall be given in manner hereinafter mentioned to such persons as are, under the provisions herein contained, entitled to receive notices from the Company. With the consent in writing of all Members entitled to receive notices from the Company, a meeting may be convened by a shorter notice and in such manner as such Members may think fit.

51. The accidental omission to give notice to, or the non-receipt of notice by, any Member, shall not invalidate the proceedings at any General Meeting.

## PROCEEDINGS AT GENERAL MEETINGS

Special business

52. All business shall be deemed special that is transacted at an Extraordinary Meeting, and also all business that is transacted at an Annual General Meeting, with the exception of declaring dividends, the reading and consideration of the accounts and balance sheet and the ordinary reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring by rotation or otherwise, the fixing of the remuneration of the Auditors and the voting of remuneration or extra remuneration to the Directors.

Notice of resolutions and amendments by Members

53. Any person entitled to be present and vote at a meeting may submit any resolution or amendment to the meeting, provided that at least five and not more than fourteen clear days before the day appointed for the meeting he shall have served upon the Company a notice in writing signed by him, containing the proposed resolution or amendment and stating his intention to submit the same.

Issue of such notice

54. Upon receipt of any such notice as in the last preceding Article mentioned, the Secretary shall include in the notice of the meeting in any case where the notice of intention is received before the notice of

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<sup>9</sup> Amended by Special Resolution dated 26<sup>th</sup> May 2011

the meeting is issued, and shall in any other case issue as quickly as possible to the Members notice that such resolution or amendments will be proposed. Any resolution or amendment of which such notice has not been given shall in the case of a resolution and may in the case of an amendment be ruled out of order, and the ruling of the Chairman shall be conclusive.

Quorum		55. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business; save as herein otherwise provided Five members present in person or by proxy shall be a quorum for all purposes.
Adjournment if quorum not present		56. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on 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 or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the Members present in person or by proxy shall be a quorum.
Chairman	Election of Chairman	57. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If at any meeting the Chairman or Deputy Chairman, if any, be not present within fifteen minutes after the time appointed for holding the meeting, or be unwilling to act as Chairman, the Members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose some Member present to be Chairman.
Adjournments		58. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen 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.
Method of Voting	Notice of adjournments	59. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by at least two Members present in person or by proxy and entitled to vote, or by a Member or Members entitled either by reason

Demand of poll of their own holding or as representatives or as proxies, to cast one-tenth or more of the votes which could be cast in respect of that resolution if all persons entitled to vote thereon were present at the meeting. Unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, or not carried, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

Votes counted in error 60. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless the same be pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution.

How poll to be taken 61. If a poll is duly demanded, it shall be taken at such time and in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may in the event of a poll, appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. The demand for a poll may with the consent of the Chairman of the meeting be withdrawn.

Chairman's casting vote 62. 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.

Time for taking a poll 63. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. No notice need be given of a poll not taken immediately.

Continuance of business after demand for a poll 64. 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 the poll has been demanded.

## VOTES OF MEMBERS

Voting rights of Members 64. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every Member who is present in person shall have one vote and

on a poll every Member who is present in person or by proxy shall have one vote for every share of which he is the holder.

Voting rights  
of joint  
holders

65. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

Voting rights  
of lunatic  
Members

66. 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 committee, curator bonis, or other person in the nature of a committee or curator bonis appointed such such court, and such committee, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than three days before the time for holding the meeting.

No right to  
vote where a  
call is unpaid

67. No Member shall, unless the Directors otherwise determine, be entitled to vote at a General Meeting either personally or by proxy, or to exercise any privilege as a Member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Objections

68. No objection shall be raised to the qualifications 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.

Votes on a  
poll

69. Votes may be given either personally or by proxy. On a show of hands a Member (other than a corporation) present only by proxy shall have no vote, but a proxy for a corporation may vote on a show of hands. A proxy need not be a Member of the Company.

Voting of  
corporations

70. Any corporation which is a Member of the Company may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meeting of the Company or of any class of Members of the Company, and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder, including power, when personally present, to vote on a show of hands.

Execution of  
proxies

71. 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 common seal or under the hand of an officer or attorney so authorized, and such instrument shall be delivered either physically or electronically in such manner as the Company may approve, provided that such delivery is considered as secure under Kenyan law and is sent to the designated address.<sup>10</sup>

Deposit of proxies of 72. 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 such power or authority, shall be deposited at the Office not less than twenty-four hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Form of proxies of 73. An instrument of proxy may be in the usual common form or in such other form as the Directors shall prescribe. The proxy shall be deemed to include the right to demand, or join in demanding, a poll, and shall (except and to the extent to which the proxy is specially directed to vote for or against any proposal) include power generally to act at the meeting for the Member giving the proxy. A proxy, whether in the usual or common form or not shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, and need not be witnessed.

Intervening death or insanity of principal not to revoke proxy of 74. 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, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## DIRECTORS

Number of Directors of 75. Unless and until otherwise determined by the Company in General Meeting, the Directors shall not be less than seven nor more than twelve in number.<sup>11</sup>

76. No person shall be eligible either for election as a Director or to remain as a Director if he holds office as a director, servant, employee

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<sup>10</sup> Amended by Special Resolution dated 26<sup>th</sup> May 2011

<sup>11</sup> Amended by Special Resolution dated 18th December 2006



or agent of any insurance company not being an insurance company which is a subsidiary of the Company, or any company being a holding or associate company of such insurance company without the approval of the Directors, which approval may in the absolute discretion of the Directors be withheld<sup>12</sup>

Remuneration  
of Directors

77. The Directors shall be paid out of the funds of the Company by way of remuneration for their services, such sum as the Company in General Meeting may from time to time determine. The Directors shall also be paid all reasonable travelling, hotel and other expenses incurred by them in connection with attending and returning from Board Meetings or otherwise in connection with the business of the Company.

Extra  
Remuneration

78. Any Director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.

Vacation of  
office of  
Director

79. The office of a Director shall be vacated in any of the following events, namely:-

- a) If (not being an Executive Director holding office as such for a fixed term) he resigns his office by writing under his hand left the Office.
- b) If he has a receiving order made against him or compound with his creditors.
- c) If he be found lunatic or of unsound mind.
- d) If he be absent from meetings of the Directors for six months without leave and the Directors resolve that, by reason of such absence, his office be vacated.
- e) If he be removed from office pursuant to Article 76 or 91.<sup>13</sup>

Power of  
Directors to  
hold offices  
of profit and  
to contract  
with

80. A Director may hold any other office or place of profit under the Company (other than the office of Auditor) and may act in a professional capacity for the Company in conjunction with his office of Director, on such terms as to remuneration and otherwise as the Board may determine, and no Director or intending Director shall be

<sup>12</sup> Amended by Special Resolution dated 18th December 2006

<sup>13</sup> Amended by Special Resolution dated 18th December 2006

Company.

Interested  
Directors  
may vote on  
contracts

General  
notice  
sufficient

disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit, or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company 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 relation thereby established, provided that the nature of the interest of the Director in such contract or proposed contract or arrangement be declared at the meeting of the Directors at which the question is first taken into consideration if his interest then exists, or in any other case at the next meeting of the Directors held after he became interested. A Director may vote in respect of any contract or arrangement in which he is interested and be counted in ascertaining whether a quorum is present, provided that he gives notice of the nature of his interest in any such contract or arrangement in the same manner as aforesaid. A general notice sufficient given to the Board by a Director to the effect that he is a member of or beneficially interested in a specified firm or company and is to be regarded as interested in any contracts or arrangements which may be made with that firm or company after the date of such notice shall be sufficient declaration of interest under this Article.

81. The Directors may appoint from among their body an Executive Committee consisting of not less than Three and not more than Seven of the Directors and delegate any of its powers, other than its powers to borrow and make calls, as they think fit for the purpose of effective management of the Company. The Directors so appointed to the Executive Committee shall hold office on such terms as the Board of Directors may prescribe and shall perform such duties as may from time to time be assigned to them by the Board. The appointment of a Director to the Executive Committee shall be subject to determination if he ceases for any cause to be a Director.

Appointment  
of Managing  
and  
Executive  
Directors

82. (a) The Directors may from time to time appoint one of their body to be Managing Director or to hold other Executive Office by whatever name called on such terms and (subject as herein mentioned) for such period as they think fit.

Managing  
Director not  
subject to  
retirement by  
rotation

(b) A Director so appointed to the office of Managing Director shall not, while holding that office, be subject to retirement by rotation or taken into account in determining the rotation in which Directors retire. His appointment shall be subject to determination if he ceases for any cause to be a Director, but without prejudice to any claim he may have for damages for breach of any contract of service between

him and the Company.

Executive  
Director not  
subject to  
retirement by  
rotation  
Remuneration  
of Managing  
and  
Executive  
Directors

(c) A Director so appointed to any other executive office shall not be subject to retirement by rotation, and shall not be taken into account in determining the rotation in which Directors retire.

(d) A Director holding the office of Managing Director or any other such executive office as aforesaid shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise or partly in one way and partly in another) as may be prescribed in any contract of service made by the Directors on behalf of the Company with any such Managing or other Executive Director.

83. The Directors shall elect from amongst their own body a Chairman and if need be, a Deputy Chairman of the Board of Directors on such terms and for such period (subject always to the provisions of these presents) as they may think fit.

Powers of  
Chairman and  
Executive  
Directors

84. Subject to any provisions to the contrary contained in the Act or in these presents, the Directors may entrust to and confer upon the Chairman and upon a Director holding any such executive office as aforesaid any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter, or vary all or any such powers.

## ROTATION OF DIRECTORS

Retirement of  
Directors

85. At the Annual General Meeting in every year one-third of the Directors for the time being or, if their number is not a multiple of three, the number nearest to but not greater than one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

Selection of  
Directors to  
retire

86. The Directors to retire in every year shall be those who have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Filling  
vacated office

87. The Company at the meeting at which a Director retires in manner aforesaid shall fill the vacated office by electing a person thereto, and in default the retiring Director shall if offering himself for re-election, be

deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.

Notice of intention to appoint Director 88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of a Director at any General Meeting unless, not less than three nor more than fourteen clear days before the day appointed for the meeting, there shall have been given to the Secretary notice in writing by some Member, duly qualified to be present and vote at the meeting, for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected.

Increase and reduction of number of Directors 89. The Company in General meeting may from time to time increase or reduce the number of Directors, and may also determine in what rotation such increased or reduced number is to go out of office.

Power to fill casual vacancies and to appoint additional Directors 90. 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 Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election. No Director who retires under this Article shall be taken into account in determining who are to retire by rotation at such meeting.

Removal of Directors 91. The Company in General Meeting may by Ordinary 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 a Director.

## POWERS OF DIRECTORS

General power of Directors to manage Company's 92. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Act or by these presents required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents, to the

business provisions of the Act, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special 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. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

Organization of subsidiary companies 93. The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary companies, and they may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing, assisting or subsidizing any such subsidiary company or guaranteeing its contracts, obligations or liabilities, and they may appoint, remove and re-appoint any persons (whether members of their own body or not) to act as directors, executive directors or managers of any such company or any other company in which the Company may be interested, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any person so appointed, and any Directors of this Company may retain any remuneration so payable to them.

Power to establish local boards 94. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, in any part of the world, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Power to appoint attorneys 95. The Directors may from time to time and at any time by power of attorney under the Seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or 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 presents) 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 sub-delegate all or any of the powers, authorities and discretions vested in him.

Power to have  
a seal for use  
abroad

96. 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.

Power to keep  
a Branch  
Register

97. The Company, or the Directors on behalf of the Company, may cause to be kept in any part of the world in which the Company transacts business, a Branch Register or Registers of Members resident there and the Directors may (subject to the provisions of the Act) make and vary such regulations as they may think fit respecting the keeping of any such Register.

Power to  
grant  
pensions  
to  
Executive  
Directors,  
employees  
and  
ex-employees

98. (a) The Directors may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following sub-paragraph shall include any Director) and ex-employees of the Company and their dependents or any class or classes of such persons.

(b) The Directors may pay, enter into agreements to pay or make grants of revocable or irrevocable and either subject or not subject to any terms or conditions, pensions, or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding sub-paragraph. Any such pension or benefit may, as the Directors consider desirable, be granted to an employee either before or in anticipation of or upon or at any time after his actual retirement.

## **BORROWING POWERS**

Power to  
borrow and to  
give security

99. The Directors may raise or borrow for the purposes of the Company's business such sum or sums of money as they may in their absolute discretion think fit. The Directors may secure the repayment or raise any such sum or sums as aforesaid by legal or equitable Mortgage

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

Holding of  
concurrent  
office

100. Subject to the provisions of Article 76 of these presents, a Director of this Company may be or become a director or other officer of, or otherwise interested in, any company including but not limited to any company promoted by this Company or in which this Company may be interested as shareholder or otherwise, and no such Director shall be accountable for any remuneration or other benefits received by him as director or officer of, or from his interest in such other company. The Board may also exercise the voting power conferred by the shares in any other company held or owned by this Company in such manner in all respects as it thinks fit, including the exercise in favour of any resolution appointing it or any of its number, directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company. Furthermore, any Director of this Company may vote in favor of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such or in any other manner is or may be interested in the exercise of such voting rights in manner aforesaid.

Signature of  
cheques and  
bills

101. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

## **PROCEEDINGS OF DIRECTORS**

Board  
Meetings

Votes

102. 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 determined by a majority of votes; the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Directors.

Quorum

103. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall be four.

Proceedings  
in case of  
vacancies

104. The continuing Directors may act notwithstanding any vacancies in the Board, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these presents, the continuing Directors or Director may act for the purpose of filling up vacancies in the Board or summoning General Meetings of the Company, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two shareholders may summon a General Meeting of shareholders for the purpose of appointing Directors.

Chairman and  
Deputy  
Chairman of  
Directors

105. If at any meeting the Chairman or Deputy Chairman, if any, shall be not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

Resolutions  
in writing

106. A resolution in writing, signed by all the Directors for the time being in East Africa, shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors.

Powers of  
meeting at  
which a  
quorum is  
present

107. A meeting of the Directors for the time being, at which a quorum is present, shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

Power to  
appoint  
committees

108. Without prejudice and in addition to the Provisions of Article 81, the Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.

Proceedings  
at committee  
meetings

109. The meetings and proceedings of any such committee, consisting of two or more members, shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

Validity of  
acts of  
Directors in  
spite of some  
formal defect

110. All acts done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director, or person acting as aforesaid, or that they or any of them were disqualified, 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 and had been entitled to vote.

## **ALTERNATE DIRECTORS**

Provisions for  
appointing  
and removing  
Alternate  
Directors

111. Any Director may at any time appoint any person approved by the Board to be an Alternate Director of the Company and may at any time remove any Alternate Director so appointed by him from office. An Alternate Director so appointed shall not be entitled to receive any remuneration from the Company or to appoint an Alternate, but shall otherwise be subject to the provisions of these presents with regard to Directors. An Alternate Director shall be entitled to receive notices of all meetings of the Board, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in the absence of such appointor. An Alternate shall ipso facto cease to be an Alternate Director if his appointor ceases for any reason to be a Director, provided that if any Director retires by rotation but is re-elected by the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement, shall continue to operate after his re-election as if he had not so retired. All appointments and removals of Alternate Directors shall be effected by writing under the hand of the Director making or revoking such appointment left at the Office.

## **MINUTES**

Records of  
appointments  
and  
proceedings  
to be kept

112. The Directors shall cause proper minutes to be made in books to be provided for the purpose of all appointments of officers made by the Directors, of the proceedings of all meetings of Directors and committees of Directors and of the attendances thereat, and of the proceedings of all meetings of the Company and all business transacted, resolutions passed and orders made at such meetings, and any such minute of such meeting if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting of the Company or Directors or committee, as the case may be, shall be sufficient evidence without any further proof of the facts therein stated.

## **SEAL**

Formalities  
for affixing  
seal

113. Subject always to the provisions of Article 9 hereof, the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board and shall be so affixed in the presence of at least one Director and the Secretary or some other person

approved by the Board, both of whom shall sign every instrument to which the Seal is so affixed in their presence.

## AUTHENTICATION OF DOCUMENTS

Power to  
authenticate  
documents

114. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the Board, 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 elsewhere than at 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.

## DIVIDENDS

Payment of  
dividends

115. Subject to any special rights as to dividend attached to any new class of shares in accordance with these presents, the profits of the Company available for dividend and resolved to be distributed in respect of any financial year or other period for which the Company's accounts are made up and submitted to the Company in General Meeting shall be apportioned and paid to the Members according to the amounts paid on the shares held by them respectively 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, such share shall rank for dividend accordingly. No amount paid on a share in advance of calls shall (for the purposes of this Article only) be treated as paid on the share.

Dividends  
payable only  
out of profits

116. No dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors.

Dividends  
payable in  
specie

117. Any General Meeting declaring a dividend may resolve that such dividend be paid wholly or in part by the distribution of specific assets, and in particular of paid up shares, debentures or debenture stock of the Company, or paid up shares, debentures or debenture stock of any other company, or in any one or more of such ways.

Profits  
available for  
dividend

118. (a) The dividends, interest and bonuses and any other benefits and advantages in the nature of income receivable in respect of the Company's investments, and any commissions, trusteeship, agency, transfer and other fees and current receipts of the Company shall, subject

to the payment there out of the expenses of management, interest upon borrowed money and other expenses which, in the opinion of the Directors, are of a revenue nature, constitute the profits of the Company available for dividend.

(b) The Directors may in their discretion from time to time direct that:-

i. Every unrealised profit resulting from revaluation of any capital asset of the Company shall be credited to a capital reserve account. Every diminution in value resulting from any such revaluation of any capital asset of the Company shall be charged against such capital reserve account in respect of that particular asset.

ii. Any loss against cost of any asset of the Company shall be charged to the profit and loss account of that year.

iii. Every profit resulting from any sale of any capital asset of the Company may be credited after releasing such amounts as are reflected in the capital reserve account relating to such capital asset of the Company to profit and loss account in the year in which such dealing takes place.

iv. Every loss resulting from any such sale as aforesaid may be charged after releasing such amounts as are reflected in the capital reserve account relating to such capital asset of the Company to profit and loss account in the year in which such loss may arise.

Payment of interim dividends of 119.If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay to the holders of any class of shares interim dividends thereon of such amounts and on such dates as they think fit.

Dividends not to bear interest 120.No unpaid dividend, bonus or interest shall bear interest against the Company.

Retention of dividends 121.The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Unclaimed dividends 122.All dividends, interest or other sum payable and unclaimed for twelve (12) months after having become payable may be invested or otherwise made use of by Directors for the benefit of the Company until claimed and the Company shall not be constitute a trustee in respect thereof. All dividend unclaimed for a period of 6 years after having been declared or become due for payment shall (if the Directors so resolve) be forfeited and shall cease to remain owing by the Company.<sup>14</sup>

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<sup>14</sup> Amended by Special Resolution dated 18th December 2006

Dividends payment 123. Any dividend, capital repayment or other money payable in cash may be paid;

Dividend payment by cheque or warrant (a) By cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, and in case of joint holders, to any one of such joint holders or to such person or such address as the holder or joint holders may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders may direct and payment of the cheque if purporting to be endorsed or enfaced by the addressee shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby; or

Dividends payment by other means (b) By direct debit, bank transfer or other automated system of bank transfer, electronic or mobile money transfer system transmitted to such bank or electronic or mobile telephone address as shown in the share register of the Company.

Every such cheque, warrant or funds transfer shall be made payable to or to the order of the person to whom it is sent or to such person who may be entitled to the same. Payment of the cheque or warrant or confirmation of the payment having been made by the transmitting entity to the addressee of a direct debit, bank transfer or other automated system of bank transfer or via a mobile money transfer system shall, in each case, be a good discharge to the Company. Every such payment whether by cheque or warrant or electronic funds transfer or mobile money payment system shall be sent at the risk of the person entitled to the money represented by it.<sup>15</sup>

124. If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

## RESERVES

Carry profit to reserve 125. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which shall at the discretion of the Directors be applicable for meeting contingences or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works plant and machinery of the Company or for special dividend or bonuses or for equalising dividends or for any other purposes to which the profits of

Application of reserve

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<sup>15</sup> Amended by Special Resolution dated 14<sup>th</sup> June 2010

Division of  
reserve into  
special funds

Power to  
carry forward  
profits

the Company may properly be applied and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

Power to  
establish and  
deal with a  
Capital  
Reserve

126. The Directors may establish a reserve to be called the Capital Reserve, which shall not be available for dividend, but which shall be available to meet depreciation or contingencies or for repairing, improving, or maintaining any property of the Company or for such other purposes as the Directors may in their discretion think conducive to the interests of the Company, and the Directors may invest the sums standing to the Capital Reserve in such investments as they think fit, other than shares or stock of the Company, and may from time to time deal with or vary such investments and dispose of all or any part thereof with full power to employ the Capital Reserve in the business of the Company, and that without keeping it separate from the other assets and with power to divide the said Capital Reserve into separate accounts or funds if they think fit.

127. (a) Once in every five years from the date of the preceding valuation or earlier the Directors shall cause an Actuary to investigate into the Company's financial condition including a valuation of the liabilities of the Company's Life Assurance business and report to the Directors thereon.

(b) On receipt of the Actuary's valuation and report the Directors shall decide on the following points:

- (i) The amount of profits which has been realized;
- (ii) The proportion of the said profits to be applied to a Reserve Fund;
- (iii) Generally on all matters and things arising out of or germane to the Valuation of the Actuary.

(c) Nine tenths of the profits on life policies so declared at the said Meeting after deductions of the amounts set aside for the Reserve Fund shall, at the option of the Directors, be allotted to life policy holders on the participating scale either by way of cash payment or reduction of future premiums or addition to the sum assured.

## CAPITALISATION OF PROFITS AND RESERVES

Power to  
capitalize  
profits

128. The Company in General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise any undivided profits of the Company not required for paying the fixed dividends on Preference Shares if any (including profits carried and standing to the credit of any reserve or reserves or other special account), and accordingly that the Directors be authorised and directed to appropriate the profits resolved to be capitalised to the Members in the proportions in which such profits would have been divisible amongst them had the same been applied in paying dividends instead of being capitalised, and to apply such profits on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such Members respectively, or in paying up in full unissued shares, debentures or securities of the Company of a nominal amount equal to such profits, such shares, debentures or securities to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportion aforesaid, or partly in one way and partly in the other.

Capitalisation  
of profits

129. Whenever such a resolution as foresaid 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, debentures or securities, 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, debentures or securities becoming distributable in fractions, or to disregard such fractions in order to adjust the rights of all parties, and also to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares 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 of the amounts remaining unpaid on their existing shares, and any agreements made under such authority shall be effective and binding on all such Members.

## ACCOUNTS

Directors to  
keep proper  
accounts

130. The Directors shall cause proper books of account to be kept with respect to:-

- a) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;
- b) all sales and purchases of goods by the Company; and
- c) the assets and liabilities of the company.

Inspection of books

131. The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Act or authorized by the Directors or by the Company in General Meeting.

List of Company's investments not to be published

132. The Directors shall not be bound, unless expressly instructed so to do by a Special Resolution of the Company in General Meeting, to publish any list or particulars of the securities or investments held by the Company or to give any information with reference to the same to any shareholder.

Submission of balance sheets and profits and loss account

133 (a). 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 (together the 'Accounts') shall not less than 21 days before the date of the meeting be sent, or to the extent permissible by law, be otherwise made available by electronic means, to every member of, and every holder of debentures in the Company.<sup>16</sup>

(b). The Accounts may be sent by post or otherwise be made available to the extent permissible by law, be electronic means and not by post. This Article shall not require a copy of the Accounts to be sent to more than the first named of any joint holder of any shares or debentures. To the extent permissible by law, the Company may send the Accounts to all persons entitled thereto by publishing the Accounts on the Company's official website and if available on the official website of the Nairobi Stock Exchange, provided that the Company shall contemporaneously print its latest balance sheet and last profit and loss statement together with the Auditor's report in one Kenyan daily newspaper with nation-wide circulation for two consecutive days drawing attention to the website(s) on which the accounts in full may be read, and the address to which a request for a printed copy of the accounts may be submitted and upon any such publication the Accounts

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<sup>16</sup> Amended by Special Resolution dated 14<sup>th</sup> June 2010

shall be deemed to have been sent to every Member or other person entitled to receive a copy of the Accounts.<sup>17</sup>

Signature of  
balance sheet

134. Every such balance sheet as aforesaid shall be signed on behalf of the Board by two of the Directors, and shall have attached to it a report of the Directors as to the state of the Company's affairs and the amount which they recommend to be paid by way of dividend to the Members, and the amount (if any) which they have carried or propose to carry to the Capital Reserve, reserve fund, general reserve or reserve account shown specifically on the balance sheet or to be shown specifically on a subsequent balance sheet. The balance sheet shall also have attached or annexed to it, the Auditors' report and such other documents as the Act may require.

## AUDIT

Appointment  
of Auditors

135. The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office until the next ensuing Annual General Meeting. The Auditors' report shall be read before the Company at the Annual General Meeting and shall be open to inspection by any Member. The Auditors' duties shall be regulated in accordance with the Act.

Directors not  
to be Auditors

136. No Director or other officer of the Company nor any person who is a partner of or in the employment of an officer of the Company, or any corporation, shall be capable of being appointed Auditor of the Company.

## NOTICES

Service of  
Notices

137. Any notice or document may be served by the Company on any Member wherever resident either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register of Members, provided that if such address is outside East Africa, such letter shall be sent by airmail. In respect of joint holdings, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members, and notice so given shall be sufficient notice to all the joint holders.

Proof of  
postage to be  
sufficient proof

138. Any notice or other document, if served by post, shall be deemed to have been served Ninety-six hours after the letter containing the same is posted, and in proving such service it shall be sufficient to

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<sup>17</sup>Amended by Special Resolution dated 26<sup>th</sup> May 2011



of service prove that the letter containing the notice or document was properly addressed, stamped and posted.

Service to be sufficient notwithstanding death or bankruptcy of Member served 139. Any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any shares registered in the name of such Member as sole or joint holder, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING-UP

Provisions relating to liquidation 140. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court), the liquidator may with the authority of a Special Resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.

## INDEMNITY

Indemnity of Directors and officers or servants 141. Subject to the provisions of the Act every Director, Managing Agent, Auditor, Manager, Secretary or officer or Servant of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

142. No Directors, Managing Agent, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency or any security in or upon which any of the

moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited, or for any loss occasioned by any error of judgement, omission, default or oversight on his part, or for any other loss, damages or misfortune whatsoever which shall happen in relation to the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

Central  
Depositories  
Act

143. (a) The provisions of the Central Depositories Act 2000 as amended or modified from time to time shall apply to the Company to the extent that any securities of the Company are in part or in whole immobilized or dematerialized or are required by the regulations or rules issued under the said Central Depositories Act to be immobilized or dematerialized in part or in whole, as the case may be. Any provisions of these Articles that are inconsistent with the Central Depositories Act or any regulations or rules issued or made pursuant thereto shall be deemed to be modified to the extent of such inconsistencies in their application to such securities. For the purposes of these Articles of Association, immobilization and dematerialization shall be construed in the same way as they are construed in the Central Depositories Act.

(b) Where any securities of the Company are forfeited pursuant to these Articles of Association after being immobilized or dematerialized, the Company shall be entitled to transfer such securities to a securities account designated by the Directors for this purpose.<sup>18</sup>

144 (a) The Company may sell (in such manner and for such price as the Directors think fit but otherwise in compliance with any regulation applicable to the trading of shares in the Company) any shares or stock of a member or any share or stock to which a person is entitled by transmission if:

- (i) for a period of six (6) years no cheque or warrant sent by the Company in the manner authorized by these presents has been cashed; and
- (ii) no communication has been received by the Company from the member, or any other person entitled, and during such period at least three (3) dividends in respect of the shares or stock in question have been declared payable by the Company; and
- (iii) the Company has following the expiration of the said period of 6 years by advertisement in a newspaper having circulation in East Africa given notice of its intention to sell such share or stocks; and

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<sup>18</sup> Amended by Special Resolution dated 31<sup>st</sup> May 2002

- (iv) the Company has not during the period of six (6) years preceding and six (6) months after the advertisement received any information reasonably satisfactory to the Directors as to either of the actual whereabouts or of the actual existence of the member or entitled person; and
- (v) the Company (if being then listed on a Securities Exchange) has given notice to the Security Exchange on which it is listed of its intention to make the sale.

(b) To give effect to any such sale the Directors may appoint any person to execute as transferor an instrument of transfer of such shares or stock:

(i) The instrument of transfer shall be as effective as if it had been executed by the registered holder of, or the person entitled by transmission to such shares or stock and the title of the transferee shall not be affected by any irregularity or invalidity of the proceedings.

(ii) The net proceeds of the sale shall belong to the Company which shall be obliged to account to the member or other person entitled for an amount equal to the net proceeds (after deducting the expenses of the advertisement and transaction costs of the Company properly incurred) and the Company shall enter the name of the former member or other person in the books of the Company as a creditor for that amount.

(iii) No trust shall be created in respect of the debt, no interest shall accrue or be payable in respect of it and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments as the Directors think fit.

(iv) If after a further period of three (3) years from the date of the instrument of transfer referred to above no claim has been made by the former member or person previously entitled to the net proceeds, the net proceeds shall become the absolute property of the Company and no person shall have any claim whatsoever against the Company arising there from.<sup>19</sup>

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<sup>19</sup> Amended by Special Resolution dated 18th December 2006