

THE COMPANIES ACT, CAP 212

COMPANY LIMITED BY SHARES
MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

CRDB BANK PUBLIC LIMITED COMPANY

Incorporated on 28th day of June, 1996

(Reprinted as amended on 9th May 2015)

DRAWN BY:

Legal Department

CRDB Bank Public Limited Company

Head Office

Dar es Salaam

TANZANIA
Stamp Duty Shs. 5000/-
PAID ON CRDB BANK PUBLIC LIMITED
Receipt No. 2395088 28/08/96
Stamp Duty Officer

THE COMPANIES ACT, CAP 212
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
CRDB BANK PUBLIC LIMITED COMPANY

TANZANIA
Stamp Duty Shs. 2000/-
PAID ON CRDB BANK PUBLIC LIMITED
Receipt No. 54595 21/05/96
Agent, Registrar of Companies

1. Name of the company **CRDB BANK PUBLIC LIMITED COMPANY.**

Name

2. The Bank is a public company.

Public Company

3. The Registered Office of the Company will be situated within Tanzania Mainland.

Registered office

4. The objects for which the Bank is established are:

Objects Clause

4.1 to carry on the banking business in all its branches, agencies and departments, including receiving funds from the general public through the acceptance of deposits, payable upon demand or after a fixed period or after notice or any similar operation through the frequent sale or placement of bonds, certificates, notes or other securities, and to use such funds, in whole or in part, for loans or investments for the account of and at the risk of the Bank;

4.2 to offer personal, corporate, commercial and financial banking services through traditional banking channels and modern channels through electronic media such as internet banking, electronic money transfers to and from the Bank branches, corresponding banks, points of sale,

and Automatic Teller Machines; to offer bank transactions locally and internationally, to offer products such as online bank statement, account transaction, card transactions, internet and telephone banking services, electronic bill payment services through connected or wireless devices such as cellular phones, pagers, personal digital assistants, computers or other devices that can provide wireless connectivity;

- 4.3 to own and operate automatic teller machines for receiving and paying money locally and internationally, to act as card issuers for both debit card and credit card and act as an agent for other card issuers both locally and internationally;
- 4.4 to finance or invest in developing intellectual property, copyright, patent, brand, relating to banking business and mode of delivery of banking services and products in efficient, fast and cost effective methods and town and be able to protect the same against unauthorised users and infringers upon such rights.
- 4.5 to buy and sell currencies both local and foreign currency and deal in bullion and specie;
- 4.6 to lend money by acquiring marketable instruments evidencing indebtedness of the government or of any person, firm, association or company, in the form of government securities, or stocks, bonds, notes or debentures; and by investing in equities of other companies which are engaged primarily in activities allied or related to banking;
- 4.7 to receive for custody money, documents, and valuables and rent safety deposit boxes for the safeguarding of such

effect;

- 4.8 to perform functions related to the registration of transfers and issues of share certificates and similar documents;
- 4.9 to act as financial agent and to buy and sell, by order of and for the account of, its customers, shares, debt instruments and all types of securities;
- 4.10 to make collections, payments and transmissions or remittances of money for the account of others and perform such other services for their customers as are compatible with the business of banks;
- 4.11 to undertake and execute any trust, undertaking, and also to undertake the office of executor, administrator, treasurer or registrar, and to keep for any company, government authority, or body, any register relating to any stocks, funds, shares, or securities or to undertake any duties in relation to the registration of transfers and the issue of share certificates;
- 4.12 to invest in or to advance and lend money or real property, personal and mixed securities, or cash credit or other accounts, on policies, bonds, bills of exchange, promissory notes, letters of credit, or other obligations, as assessed by and acceptable to the Bank;
- 4.13 to negotiate or pay in advance coupons and interest on public loans, or securities;
- 4.14 to act as an agent for revenue collection for taxes, dues, customs and duties, dividends, debts, for Central Government or any department thereof, municipality or

person;

- 4.15 to negotiate loans for, and to lend money to any government, person, partnership or association and to guarantee or become liable or responsible for the payment of money, or for the due performance of any bonds, contracts or obligations, upon such terms as may from time to time be considered desirable in the interests of the Bank;
- 4.16 to act as agents generally for any government or other authority, and for public and private bodies and persons;
- 4.17 to borrow or raise money or secure the payment of money by the issue of coupon bonds, debentures, debenture stock, bills of exchange, promissory notes, or other obligations or securities of the Bank, or by mortgage or charge of all or any part of the property or rights of the Bank, including its uncalled capital, or by sub-mortgage of or sub-charge upon any stocks, securities, or property mortgaged to or charged in favour of the Bank. Any such mortgage or trustees, or otherwise, and with such powers as the Bank shall think fit;
- 4.18 to purchase or otherwise acquire, erect, maintain, reconstruct and adapt any buildings, works, plant and machinery and other things found to be necessary or convenient for the purpose of the Bank;
- 4.19 to amalgamate, if the Members by a resolution in a general meeting should decide and subject to the approval of the Bank of Tanzania, with any other company whose objects are or include objects similar to those of the Bank whether by sale or purchase (for fully or partly paid shares or otherwise) of the undertaking

subject to the liabilities of the Bank or any such other bank as aforesaid with or without winding up or by purchase (for fully or partly paid shares or otherwise) of all or a controlling interest in shares of any such other bank or in any other manner;

- 4.20 to register a subsidiary or a branch or open a representative office of the Bank in any other country in Africa or elsewhere in the world, and to take such other steps as may be necessary to give the Bank so far as may be, the same rights and privileges abroad as are possessed by local companies or partnerships of like character in such countries;
- 4.21 to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Bank both within and outside Tanzania and to remunerate any person or persons, company or association, for services rendered, or to be rendered for guaranteeing, obtaining, or placing any shares of either the original or any increased capital or securities of the Bank, or otherwise;
- 4.22 to do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors, or otherwise, and either alone or in conjunction with other, and either by or through agents, sub-contractors, trustees or otherwise; and
- 4.23 to do all such other activities and investments permitted under the law and including things that are incidental or conducive to the above objects or any of them;

It is hereby declared that:

The objects of the Bank specified in the foregoing paragraphs of this clause shall be distinct and separate objects of the Bank and shall be in no way limited by reference to any other paragraphs hereof or to the order in which the same occur, but shall be construed in as wide a sense as possible as if each of the said paragraphs defined the objects of a separate and distinct Bank.

5. The liability of the Members is limited;

Liability Limited

6. The authorised share capital of the Bank is Tanzania Shillings One Hundred Billion (TShs.100,000,000,000.00) divided into Four Billion (4,000,000,000) ordinary shares of Tanzania Shillings Twenty Five (TShs 25.00) each.

*Authorized share
capital as amended*

We, the several persons whose names and addresses are subscribed hereunder, are desirous of being formed into a company in pursuance of this Memorandum of Association and agree to take the shares indicated against our respective names:

No.	Name, Postal Address and Description of Subscribers	Number of Shares Taken	Signature
1.	IPP LIMITED P.O. BOX 32702 DAR ES SALAAM	1	Director <i>Signed</i> Secretary <i>Signed</i>
2.	MR. D. SULLA P.O. BOX 545 SHINYANGA	1	<i>Signed</i>
3.	MR. ANDREW MUHAZI P.O. BOX 5 BUKOBA	1	<i>Signed</i>
4.	L.M. ENTERPRISES LIMITED P.O. BOX 20640 DAR-ES-SALAAM	1	Director <i>Signed</i> Secretary <i>Signed</i>
5.	MR. H.V.N. CHIBULUNJE P.O. BOX 20640 DAR-ES-SALAAM	1	<i>Signed</i>
6.	PROF. S MBILINYI P.O. BOX 9111 DAR-ES-SALAAM	1	<i>Signed</i>
7.	MR. JOHN C. RUBAMBE P.O. BOX 268 DAR-ES-SALAAM	1	<i>Signed</i>

Witness to the Signatures: RAPHAEL CHACHA

Signature: SIGNED

Description: ADVOCATE

Dated the 27th day of June 1996

THE COMPANIES ACT, CAP 212

COMPANY LIMITED BY SHARES

AMENDED ARTICLES OF ASSOCIATION

OF

CRDB BANK PUBLIC LIMITED COMPANY

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TANZANIA
Stamp Duty Sks... 51000/-
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THE COMPANIES ACT, CAP 212

COMPANY LIMITED BY SHARES

AMENDED ARTICLES OF ASSOCIATION

OF

CRDB BANK PUBLIC LIMITED COMPANY

The regulations in Table "A" in the first schedule to the Companies Act, Cap 212, shall not apply to the Bank, except so far as the same are repeated or contained in these regulations.

Interpretation

1.1 In these regulations:

- "Act" means the Companies Act, Cap 212;
- "Articles" means these Articles of Association of the Bank;
- "A Special Resolution" means a resolution passed by a majority of at least three fourths of the votes of Members entitled to vote in person or by Proxy at a general meeting;
- "An Ordinary Resolution" means a resolution passed by a simple majority of the votes of Members entitled to vote in person or by Proxy at a

Interpretation

TANZANIA
Stamp Duty Sks... 25000/-
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Asst. Registrar of Companies

	meeting;
"the Bank"	means the CRDB Bank Public Limited Company;
"B&FI Act"	means the Banking and Financial Institutions Act, Cap 342, R.E 2002;
"Board"	means the Board of Directors of the Bank;
"Clear days"	in relation to the period of notice means that period excluding the day when the notice is given or from which it is to take effect;
"Depository Receipt"	means a receipt issued by the Stock Exchange evidencing title to shares deposited in the Central Depository System by a Member;
"Directors"	means the members of the Board, and "Director" shall be construed accordingly;
"Dividend"	means profit after tax which Directors declare for distribution to Members;
"Holder"	in relation to shares means the Member whose names are entered in the Register as holders of the shares and "Holders" shall be construed accordingly;
"Independent Director"	means a member of the Board who is not

a shareholder of the Bank, is not employed by a shareholder of the Bank, and has no relationship to Management and the Board;

"Member" means a shareholder in the Bank and "Members" shall be construed accordingly;

"Memorandum" means the Memorandum of Association of the Bank;

"Month" means calendar month;

"Proxy" means a proxy duly appointed by a Member to represent him or her at a general meeting;

"Register" means the Register of Members of the Bank;

"Rules" means the Rules of the Stock Exchange;

"Seal" means the common seal of the Bank;

"Secretary" means the secretary of the Bank or any person appointed to perform the duties of the secretary of the Bank;

"the Stock Exchange" means the Dar-es-Salaam Stock Exchange (DSE) or any other stock exchange approved under the Capital Markets and

Securities Act, Cap 79;

"Strategic Investors" means Africa Capitalization Fund Limited (AfCap), CDC Group Plc (CDC), IFC Financial Institutions Growth Fund, LP (IFC FIG Fund) and International Finance Corporation (IFC) jointly and severally.

"Tanzania" means Mainland Tanzania;

"TZS" means Tanzanian Shillings, being the currency of Tanzania.

- 1.2 Expressions referred to in writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.
- 1.3 Any word importing the singular shall include the plural and vice versa. Words importing the masculine gender shall also include the feminine gender and vice versa. Words importing persons shall include companies and other corporate bodies.
- 1.4 Unless the context otherwise requires, words or expressions contained in the Articles shall bear the same meaning as in the Act or any statute thereof in force at the date at which these Articles become binding on the Bank.

Public Company

2. The Bank is a public company and accordingly:

Public Company

- 2.1 the right to transfer shares and issuance of share certificates are not restricted and, after the listing of the

Share transfers and certificates

Bank at the Stock Exchange, are to be regulated by the Rules;

- 2.2 the number of Members is not restricted: provided that where two or more persons hold one or more shares in the Bank jointly, they shall, for the purposes of the Articles, be treated as a single Member;

No restriction to number of Members

- 2.3 the Bank shall not have the power to issue share warrants to bearer.

No share warrants to bearer

Share Capital and Variation of Rights

3. The authorised share capital of the Bank is Tanzania Shillings One Hundred Billion (TShs.100,000,000,000) divided into Four Billion (4,000,000,000) ordinary shares of Tanzania Shillings Twenty Five (TShs 25) each..

Amended Share Capital

4. Except for DANIDA Investment Fund (which already owns more than 20%), no single Member shall own more than 20% of the issued and paid up share capital of the Bank.

Shareholding per Member restricted to 20%

5. Subject to the provisions of the Act, and without prejudice to any rights attached to any existing shares, any shares may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Directors may determine.

Shares may be issued with rights and restrictions

6. Subject to the provisions of section 61 of the Act, any shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Bank, liable to be redeemed on such terms and in such manner as the Bank before the issue of the shares may by special resolution determine.

Shares may be issued liable to be redeemed

7. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Bank is being wound up, be varied with the consent in writing of the Holders of three-fourths of the paid-up issued shares of that class, or with the sanction of a special resolution passed at separate general meeting of the Holders of that class of shares. To every such separate general meeting, the provisions of the Articles relating to general meetings shall apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the paid up issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
- Different classes of shares and variation of rights*
8. The rights conferred upon the Holders of the shares of any class shall not, unless otherwise expressly provided by the terms of issue of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- Rights conferred on any class of shares not varied by issue of shares ranking pari passu*
9. The Bank (or the Directors on behalf of the Bank) may exercise the power of paying commissions conferred by section 56 of the Act. Subject to the provisions of the Act, such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in other.
- Commissions may be paid in cash or in allotment of paid shares or both*
10. Except as required by law, no person shall be recognized by the Bank as holding any share upon any trust, and the Bank shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except as otherwise provided by the Articles or by law) any other right or interest in respect of any share except an absolute right to the entirety thereof in the registered Holder.
- Save as required by law only Holders of shares to be recognized*

11. If two or more persons are registered as joint Holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.

Joint holders and receipts to them for dividends or other moneys

Depository Receipts

12. Every person whose name is entered in the Register in respect of any Share shall, subject to the terms of the issue of any such Share and the Rules, be issued with a Depository Receipt. A Member shall be entitled to one Depository Receipt for all his Shares of each class and, when part only of the Shares comprising a Depository Receipt is sold or transferred, to a new Depository Receipt, for the remainder of the shares.

Issue of depositing receipts

13. A Depository Receipt issued by the Stock Exchange shall be prima facie evidence of title to the Shares issued in lieu of a share certificate.

14. The Directors may appoint a Share Transfer Registrar to maintain the Register in which shall be recorded the number of Shares in respect of which the Share Transfer Registrar has been appointed. The Share Transfer Registrar shall be appointed on such terms and conditions as the Directors shall approve.

Share Transfer Registrar

15. The Register shall be kept and maintained by the Share Transfer Registrar in accordance with the Rules and procedures prescribed by the Company and shall be open to inspection by any person during usual business hours.

Maintenance of Share Transfer Register

16. If a Depository Receipt issued by the Stock Exchange is worn out, destroyed, lost or misplaced, it may be replaced by the Stock Exchange in accordance with the Rules.

Replacement of Depository Receipts

Lien

17. The Shares shall have no lien on them except when mortgaged in accordance with the Rules.

Bank has no lien on unpaid Shares

18. Subject to the Rules, a person in favour of whom Shares have been mortgaged may sell the Shares at such time or times and in such manner as he thinks fit, but no sale shall be made until:

- (a) such time as the liability or engagement in respect of which such lien exists is liable to be discharged; and
- (b) a demand notice in writing :
 - (i) stating the amount due; and
 - (ii) specifying the liability and demanding discharge thereof; and
 - (iii) giving notice of intention to sell in default,

shall have been served on such Member or the persons (if any) entitled by transmission to the Shares.

Rights Issue

19. The Bank may, with the authority of the general meeting, invite its existing Members to subscribe for further capital in proportion to their existing shareholding in the following manner:

Rights Issue

- 19.1. Where the Bank makes a rights issue, it shall send to each Member of the class or classes concerned, a "Provisional Letter of Allotment" by which the new shares are actually allotted to such Member, subject to his right to

reject the allotment if he does not wish to subscribe, or to renounce them in favour of someone else by completing the form prepared by the Bank and attached to the Provisional Letter of Allotment.

- 19.2. Each Member wishing to subscribe to a rights issue invitation shall pay the price requested for subscription of the new shares. If the Member does not wish to take the new shares himself, he may sell the right to subscribe to someone who is willing to pay for the shares in accordance with the conditions for subscription.

Transfer of Shares

20. The Transferor of a share shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register as the holder of that share, subject to the Rules and any arrangement agreed between the Bank and the Stock Exchange.

Procedures for transfer of shares

21. The Directors may, pursuant to Rules, accept for registration all transfers of shares in the form approved by Stock Exchange in such form including the electronic transfer of shares in the Central Depository System.

Bank to accept Depository Receipts as evidencing transfer of shares in lieu of Share Certificates

22. Registration of transfers may be suspended and the Register of Members closed during the fourteen days immediately preceding every general meeting of the Bank, and at such other times (if any) and for such period as the Directors may, from time to time determine: provided always that the Register shall not remain closed for more than thirty days in any year.

Suspension of registration of transfers for up to (14) days immediately preceding every general meeting

23. Save as the Directors may determine, no fee shall be charged for the registration of any instrument of transfer or other

No fee for Registering transfer

document relating to or affecting title to any share.

Transmission of Shares

24. In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the executor or administrator of the estate of the deceased where he was a sole holder or the only survivor of joint Holders, shall be the only person recognised by the Central Depository System as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased Member from any liability in respect of any share which had been jointly held by him.
- Recognised persons in case of share transmission*
25. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may properly be required by the Directors and subject as hereinafter provided, either elect by notice to the Bank to be registered as holder of the share, or elect to have some person nominated by him registered as the transferee in which case he shall execute the appropriate instrument of transfer. All provisions of the Articles relating to the right to transfer of shares shall apply to any such notice or transfer as if it were an instrument of transfer executed by the Member and as if the death or bankruptcy of the Member had not occurred.
- A person to whom shares transmitted may opt to become holder or transfer shares to nominee*
26. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall have the rights to which he would be entitled if he were the registered holder of the share such as the right to receive any dividends or other monies payable in respect of the share, but he shall not be entitled in respect of it to receive notice of, or to attend or vote at meetings of the Bank or be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Bank,
- Holder of transmitted shares shall not attend and vote at meetings until he is registered as a holder*

before being registered as the holder of the share.

Alterations of Capital

27. The Bank may by ordinary resolution:

27.1. increase its share capital by creation of new shares of such amount, as the resolution prescribes: provided that the Bank may direct that new shares or any of them so increased shall be offered in the first instance, either at par or at a premium, to the existing Members or to 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, but subject to the provisions of the B&FI Act relating to share holding restrictions; or

Increase of share capital

27.2 consolidate all or any of its share capital into shares of a larger amount than its existing shares; or

Consolidation and division of shares into larger amounts

27.3. subject to the provisions of section 65(1) (d) of the Act, sub divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum; or

Sub-division of shares into smaller amounts

27.4. issue any preference cumulative or redeemable shares; or

Issue of preference or redeemable shares

27.5. Cancel any shares which, at the date of the passing of the resolution, have into been taken or agreed to be taken by any person and reduce the amount of its share capital by the amount of the shares so cancelled but subject to the provisions of the B&FI Act.

Cancellation of shares not taken or reduction of share capital

28. Whenever as a result of a consolidation of shares any Members

A fraction of a share as a

would become entitled to fractions of a share, the Directors may, on behalf of those Members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including subject to the provisions of this Act) and distribute the net proceeds of sale in due proportion among those Members, and the Directors may authorise some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

result of consolidation of shares.

29. The Bank may, by special resolution, reduce its capital, any capital redemption reserve fund or any share premium account in any manner authorised by the Act and approved as may be required by any other law.

Reduction of capital, capital redemption reserve fund or share premium account

30. Except so far as otherwise provided by or pursuant to the Articles or by the conditions of issue, any new share capital shall be considered as part of the original ordinary share capital of the Bank, and shall be subject to the same provisions with reference to transfer, transmission, forfeiture and otherwise as the original share capital.

New share capital increased from original capital considered part of original share capital

General Meetings

31. The Bank shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Bank and that of the next.

Annual General Meetings

32. All general meetings shall be attended by the Members either in

persons entitled to attend

person or by proxy, all the Directors, trustees, appointer and settler of DANIDA Investment Fund, the Managing Director and the Deputy Managing Director.

annual general meeting

33. Subject to the provisions of the Act, all general meetings shall be held in Tanzania not later than six months after the close of every financial year, or at such other time as the Directors may determine.

Meeting must be held not later than six months after close of financial year

34. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Extraordinary General Meetings

35. The Directors may, whenever they think fit, call an extraordinary general meeting, and an extraordinary general meeting may, subject to the provisions of section 134 of the Act, also be convened on a Members' requisition as follows:

Who can call an Extraordinary Meeting

35.1 Members entitled to requisition an extraordinary general meeting are Members entitled to vote at general meetings of the Bank who either alone or as a group hold, at the date the requisition is made, not less than one-tenth of the paid-up shares of the Bank;

35.2 The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the Bank and may consist of several documents in like form each signed by one or more requisitionists.

35.3 The Directors shall, on a Members' requisition, immediately proceed duly to convene an extraordinary general meeting of the Bank.

35.4 A meeting convened at the requisition of Members shall be convened in the same manner, as nearly as possible,

as that in which meetings are to be convened by Directors.

35.5 If the Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of 3 months from the said date.

35.6 If at any time there are not within Tanzania sufficient Directors to call the meeting, any Director or any two Members of the Bank may call the meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors. In the case of an extraordinary general meeting called pursuant to a requisition, no business other than that stated in the requisition as the object of the meeting shall be transacted.

Notice of General Meetings

36. Every general meeting shall be called by thirty (30) clear days' notice in writing through an advertisement in one or more newspapers enjoying wide circulation in Tanzania and where practical by electronic means followed by signed scanned copy of the notice. The notice shall specify the place, the day and time of the meeting and the general nature of the business and, in the case of an annual general meeting, shall specify the meeting as such: provided that a meeting of the Bank may be called by shorter notice if it is so agreed:

Notice of annual general meeting to be 30 clear days from date set for the meeting

36.1 in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and

Shorter notice possible

36.2 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 holding not less than 95 per cent in nominal value of the shares giving that right.

37. Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the Members, to all persons entitled to a share in consequence of the death or bankruptcy of a Member, and to the Directors and auditors. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at the meeting.

Members, all persons entitled to a share in consequence of the death or bankruptcy of a Member, auditors and Directors are entitled to notice

Proceedings at General Meetings

38. All business that is transacted at general meetings shall be deemed ordinary unless a special resolution is required by law or by the Articles.

When business of general meeting is deemed special

39. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Members representing half the total paid-up issued share capital of the Bank including proxies shall form a quorum and they shall be entitled to vote on the business to be transacted.

No business to be transacted unless quorum is present

40. If within half an hour from the time appointed for the meeting a quorum is not present, or if during the course of a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in two weeks, at the same time and place or to such other day at such other time and place as the Directors may determine.

If no quorum present meeting to adjourn for 14 days

41. The Chairman and Vice Chairman of the General Meeting shall be elected by the meeting from amongst the Members. The Chairman or in his absence the Vice Chairman shall preside as Chairman of the General Meeting. The terms of the Chairman and of the Vice Chairman shall expire at the end of the meeting to which they have been elected as Chairman and Vice Chairman respectively. Provided, where the meeting has been adjourned in accordance with Article 45, the term of the Chairman and that of the Vice Chairman shall lapse at the end of the adjourned meeting.
- Chairman to be elected from amongst the Members and to preside over general meetings.*
42. Any person entitled to be present and vote at a meeting may submit any resolution or amendment to the meeting, provided that he shall have at least not more than fourteen clear days before the day appointed for the meeting, served upon the Bank a notice in writing signed by him, containing the proposed resolution or amendment and stating his intention to submit the same.
- Submission of resolution to annual general meeting by any Member to be submitted to the Bank within 14 clear days before date of meeting*
43. Upon receipt of any such notice, the secretary shall include in the notice of the meeting in any case where the notice of intention is received before the notice of the meeting is issued, and shall in any other case issue as quickly as possible in the most practical means available 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 be ruled out of order, and the ruling of the Chairman shall be conclusive.
- On receipt of notice of resolution from Member Secretary to notify Members of proposed resolution*
44. A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at a general meeting and at any separate meeting of the Holders of any class of shares in the Bank.
- Directors entitled to attend annual general meeting and to speak*
45. The Chairman may, (with the consent of any meeting at which
- Chairman may adjourn a*

a quorum is present and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, notice of an 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.

meeting. No business to be transacted at adjourned meeting other than business which might have been transacted at meeting if no adjournment took place

46. 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:

Decisions of annual general meetings to be by show of hand or poll

46.1 by the Chairman or;

46.2 by at least two Members having the right to vote at the meeting;

46.3 by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or

46.4 by a Member or Members holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

46.5 by Proxy for a Member provided that the demand by Proxy shall be the same as a demand by the Member.

47. Unless a poll is demanded, a declaration by the chairman that

Declaration by Chairman

a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be evidence of that fact. A poll shall always be held when the following issues are brought for consideration of the Members:

that resolution has been carried or lost or not carried to be evidence of that fact

47.1 Amendment of the Articles;

Issues for which a poll must be held

47.2 Appointment and/or election of members of the Board;

47.3 Amendment of the Memorandum; and

47.4 Amendment of the structure for entitlement to appointment of Directors.

48. The demand for a poll may, before the poll is taken, be withdrawn.

Withdrawal of poll

49. Except as provided in Article 51, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Conduct of poll to be in such manner as the Chairman directs

50. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall declare the matter under consideration deferred to give room for the members to reconsider the matter and for the Bank to introduce it either in the same form with explanations or in a revised form.

In the event of equality of votes the issue in question to be deferred

51. A poll demanded on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time after the poll is demanded as the chairman directs, and any business other

Poll on adjournment to be taken immediately. Poll on other questions to be taken as Chairman directs

than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

Votes of Members

- | | | |
|-----|---|---|
| 52. | On a show of hands every member present, shall have one vote.
On a poll, every member present in person, or his Proxy shall have one vote for every share of which he is a holder. | <i>On show of hands every member to have one vote.
On a poll every member to have one vote for every share he holds</i> |
| 53. | In the case of joint Holders, 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. | <i>Voting in case of joint Holders, by seniority determined in the order in which names stand in the Register</i> |
| 54. | A member in respect of whose estate a manager has been appointed under section 26 of the Mental Diseases Act, Cap 98 may vote, whether on a show of hands or on a poll, by his manager, and any such manager may, on a poll, vote by Proxy. | <i>Manager representing member under Mental Diseases Act may vote on show of hands or poll</i> |
| 55. | No member shall be entitled to vote at a general meeting or at a separate meeting of the Holders of any class of shares in the Bank unless all calls or other sums presently payable by him in respect of shares in the Bank have been paid. | <i>No member may vote unless all calls or other sums due have been paid</i> |
| 56. | No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the chairman, whose decision shall be final and conclusive. | <i>No objection may be raised to qualification of any voter except at meeting where the vote was cast</i> |
| 57. | On a poll, votes may be given either personally or by Proxy. A member may appoint more than one Proxy to attend on the | <i>At a poll votes may be given personally or by</i> |

same occasion.

Proxy

58. The instrument appointing Proxy shall be in writing executed by or on behalf of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A Proxy need not be a member of the Bank.

*Instrument appointing
Proxy*

59. The instrument appointing a Proxy and in the case of any authority under which it is executed, a copy of that authority, certified notarially or in such other manner as approved by the Directors, shall be deposited at the registered office of the Bank or at such other place within Tanzania as is specified for that purpose in the notice convening the meeting, not less than 72 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of Proxy shall not be treated as valid.

*Proxy instrument to be
notarised and to be
submitted at registered
office no less than 72 hours
to the meeting*

60. An instrument appointing a Proxy shall be in the following form or a form as near thereto as circumstances admit:

".....*Limited*.....
.....*I/we* *of*
....., *being**a*
member/members of the above named Bank, hereby appoint
..... *of.....or*
failing him,*of*
..... *as my/our Proxy to vote for*
me/us on my/our behalf at the (annual or extraordinary, as the
case may be) general meeting of the company to be held on the
..... *day ofand at any*
adjournment thereof.

Proxy Form

Signed this day of20....."

61. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a Proxy shall be in the following form or a form as near thereto as circumstances admit:

".....*Limited*.....
.....*I/we*..... of
....., *being**a*
member/members of the above named Bank, hereby appoint
..... of.....*or*
failing him,*of*
..... *as my/our Proxy to vote for*
me/us on my/our behalf at the (annual or extraordinary, as the
case may be) general meeting of the Bank to be held on the
..... *day of**and at any*
adjournment thereof.

*Proxy form for specific
instruction on voting for or
against the resolution*

Signed this *day of*
.....*20....."*

*This form is to be used * in favour of/against resolution {1/2/3
etc}. Unless otherwise instructed, the Proxy will vote as he
thinks fit or abstain from voting.*

62. The instrument appointing a Proxy shall be deemed to confer authority to demand or join in demanding a poll.

A Proxy can demand a poll

63. A vote given in accordance with the terms of an instrument of Proxy, or poll demanded by Proxy, or by the duly authorised representative of a corporation shall be valid notwithstanding that the previous determination was received by the Bank at its registered office (or at such other place at which the instrument or Proxy was duly deposited) before the

*Vote given in terms of
Proxy or duly authorised
representative of
corporation to be valid
despite previous
determination of the
authority of the person
voting*

commencement of the meeting or adjourned meeting at which the Proxy is used.

Corporation acting by Representatives at Meetings

64. Any corporation which is a member of the Bank may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Bank or of any class of members of the Bank, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Bank.

Corporate members to be represented by duly authorised persons

Standing Agenda for the Ordinary General Meeting

- 65 The standing agenda for the ordinary general meeting shall be as follows:

Standing agenda of annual general meetings

- 65.1 election of chairman and/or vice chairman of the annual general meeting, as necessary;
- 65.2 confirmation of Minutes of the Previous Meeting;
- 65.3 matters arising from the confirmed Minutes;
- 65.4 consideration and adoption of the Board's Report as presented by the Chairman of the Board;
- 65.5 consideration and adoption of the report on Audited Financial Statements and Consolidated Accounts as presented by the Managing Director;
- 65.6 appointment of Auditors;

- 65.7 confirmation of appointment and Election of members of the Board;
- 65.8 approval of Directors' remuneration;
- 65.9 any other business with leave of the chairman; and
- 65.10 place, date and venue for next meeting.

Directors, their appointment, Procedures for the Election, and Interests of Directors

- 66. The Board shall consist of not less than nine (9) and not more than twelve (12) Directors.

Composition of the Board

- 67. Every Member with ten percent (10%) of the issued and fully paid up share capital of the Bank shall be entitled to appoint a Director.

Right of Members with 10% of issued and fully paid shares

"Every block of 10% of paid up share capital of the Bank shall be entitled to election/appointment of one Director; provided that, Danida Investment Fund (DIF) shall have the right to appoint two (2) Directors until they dispose of their entire shareholding in the Bank and provided further that the Strategic Investors shall have the right to jointly appoint one Director if they jointly acquire a minimum shareholding of 5%".

- 68. Members owning between 1% and 10% of the issued and fully paid up share capital of the Bank shall jointly be entitled to elect a Director for every 10% of shares held, provided that any part of 10% which does not, by itself add up to a whole 10% shall not be entitled to elect a Director.

Appointment of Directors for Members with 1%-10%

- 69. Members owning less than 1% of the issued and fully paid-up share capital of the Bank shall jointly elect one (1) Director and additionally one (1) Director for every 10% of shares held.

Procedure for electing Directors by Members with less than 1%

70. The Members shall appoint one Independent Director of the Board. Provided that the Board shall recommend two (2) candidates to the Members at a General Meeting at which the election of such Director is to be undertaken.
- Appointment of Independent Director*
71. Any Member wishing to be elected Director may submit his name to the Secretary not later than 21 days before the meeting scheduled for such election.
- Submission of documents for vetting*
72. A Member entitled to appoint a Director shall make the appointment, if a corporate body, in accordance with the corporate procedures applicable for that body, usually a Board resolution of that corporate body appointing the person Director in the Bank subject to the approval of the Bank of Tanzania.
- Procedure of appointment by Corporate Body*
73. Following the appointment, the Member appointing shall transmit to the Secretary the name or names of Directors appointed by such Member attached to which shall be a copy of the appointment and acceptance, the Curriculum Vitae of the Director, information regarding the full address, and, nationality of Director, and information on whether or not he is Director in any other company or bank and his or her previous directorship.
- Documents for submission to Secretary after appointment*
74. The Secretary, on receiving notification of an appointment, shall submit the name and all attachments to the Bank of Tanzania for approval.
- Submission of names to BOT for approval*
75. Where a Member who is new becomes the holder of 10% of the shareholding, deriving from purchase of shares of an existing Member from targeted sale, such new Member shall have the right to appoint a Director, to replace an existing Director
- Right of a new Member who becomes holder of 10%*

appointed in relation to the shares sold and, on the date the purchase of shares from the existing Member becomes effective, the Director appointed by existing Member shall resign in favour of a Director appointed by the new Member but the appointment of such Director shall be subject to the approval of the Bank of Tanzania.

76. The quorum of any meeting of Directors shall be six (6) Directors. Notwithstanding the number of Directors who constitute a quorum, the Directors may, by ordinary resolution, change the number depending on the maximum number of Directors of the Board determined by the Directors but the number shall not be less than two. The Managing Director and the Deputy Managing Director shall be ex-officio members of the Board.

*Board of Directors
quorum*

77. Each of the Directors appointed or elected shall be a person with knowledge and experience of either economic or financial matters or of accounting or legal expertise or rural development, agriculture or small-scale industries or co-operatives or any other equivalent qualifications. All Directors appointed and elected shall be confirmed by the general meeting but such that their appointment shall not be effective until approved by the Bank of Tanzania.

*Qualifications of
Directors*

78. The shareholding qualification for Directors may be fixed by the Bank in a general meeting, and unless and until so fixed no qualification shall be required.

Shareholding qualification

79. Directors shall always be appointed or elected subject to approval of the Bank of Tanzania and their appointment shall not take effect unless the approval of the Bank of Tanzania has been granted. Appointed or elected Directors shall each be responsible to ensure that each promptly furnishes the Bank of Tanzania with any information or document requested.

*Appointment of
Directors subject to
BOT approval*

80. If, for any reason whatsoever, the Bank of Tanzania does not approve the appointment of any Director in respect of which an approval was requested, the appointment of such Director shall fall through and the Directors shall be entitled to request the Member whose Director's appointment was not approved to appoint another person subject to the approval of the Bank of Tanzania. Where a Director whose appointment was not approved by the Bank of Tanzania is one of the Directors elected, the person coming second in the election shall be appointed Director subject to the approval of the Bank of Tanzania.

*Refusal of Approval by
BOT*

81. There shall not be two or more persons from the same institution that shall be elected as Board members at one given time. In this Article, the term *institution* means and includes any corporation or body corporate, which is a Member of the Bank.

*Limitations of Directors
from the same institution*

82. At the annual general meeting in every year, one third of the elected Directors or, if their number is not three or multiple of three, the number nearest one third, shall retire from office. A retiring Director is eligible for re-election. The Directors eligible for retirement shall be those who have been longest in office save for persons who became Directors on the same day one of whom shall retire by lot. A Director retiring shall be replaced by a new Director elected by the Members who elected him such that the number of Directors to which a Member is entitled is not reduced by retirement.

*Rotational retirement of
Directors*

Powers and Duties of Directors

83. All powers of the Bank shall, subject to the provisions of the Act, the Memorandum and the Articles and to any Members' directions given by special resolution, be vested in the Directors. No alteration of the Memorandum or Articles and no such directions shall invalidate any prior act of the

Powers of Directors.

Directors which would otherwise have been valid. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors. The Directors shall have the power to pass such regulations both financial and administrative in respect of the staff of the Bank as necessary for the better management of the Bank.

84. The Directors may, by power of attorney, appoint any person to be the attorney or agent of the Bank for such purposes and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.

Directors may appoint attorney or agent of the Bank

85. The Directors may exercise all the powers of the Bank to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Bank or of any third party.

Directors' powers to borrow and to charge assets

86. The Bank may exercise the powers conferred upon the Bank by sections 124 to 127 of the Act with regard to the keeping of a branch register, and the Directors may (subject to the provisions of those sections) make and vary such Articles as they may think fit respecting the keeping of the Register.

Register of Members

87. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Bank shall declare the nature of his interest at a meeting of the Directors in accordance with section 209 of the Act.

A Director's interest must be disclosed to the Bank

88. Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:

Effect of Disclosure of Interest

88.1 may be a party to, or otherwise interested in, any transactions or arrangement with the Bank or in which the Bank is otherwise interested.

88.2 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in any body corporate promoted by the Bank or in which the Bank may be interested.

88.3 shall not, by reason of his office, be accountable to the Bank for any benefit which he derives from any such office or employment, remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other company unless the Bank otherwise directs.

89. For the purposes of Articles 88 and 89:

89.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in such transaction of the nature and extent specified; and

General notice to Board members

89.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

90. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Bank , shall be signed, drawn, accepted, endorsed, or

Cheques, notes, drafts and bills of exchange executed as Directors may determine

otherwise executed in such manner as the Directors shall from time to time by resolution determine.

91. In addition to the duties of the Directors provided herein, the B&FI Act and in the Act, the Directors shall more specifically:

*Additional specific duties of
Directors*

91.1 determine the Bank's vision, mission and values aimed at providing continuity and legal existence of the Bank;

91.2 continuously monitor and evaluate the Bank's strategy to achieve the vision and mission and ensure the Bank survives and thrives;

91.3 govern the Bank by broad policies and objectives, formulated and agreed with the Managing Director. Such policies and objectives shall aim at ensuring that:

91.3.1 procedures and practices are in place to protect the Bank's assets and reputation;

91.3.2 the Bank complies with all relevant laws, regulations and codes of best practices;

91.3.3 the technology and systems used in the Bank are adequate to properly run the Bank for it to compete through the efficient use of its assets, processes and human resources;

91.4 monitor risk identification and its management so as to enhance shareholder value in the long run;

91.5 select and appoint the Managing Director to whom the responsibility of managing the Bank shall be delegated. The Directors shall review and evaluate the Managing Director's performance regularly;

- 91.6 select and appoint Deputy Managing Directors as the Board shall deem appropriate, on the recommendation of the Managing Director;
- 91.6 select and appoint the Director of Internal Audit to whom the responsibility of overseeing, accounting and reporting principles, procedures and practices applied by the management shall be delegated. The Directors shall review his/her performance regularly. The Director of Internal Audit shall report directly to the Directors;
- 91.7 select and appoint Heads of Departments upon recommendation by the Managing Director;
- 91.8 select and appoint the Secretary of the Bank on the recommendation of the Managing Director;
- 91.9 enter into contracts with other institutions in furtherance of the Bank's objectives;
- 91.10 ensure that the accounting system is maintained in accordance with acceptable standards and the books of the Bank are kept properly, and that the accounts are checked by authorized auditors;
- 91.11 make annual reports on the business in general and future plans of the Bank for presentation to the general meeting;
- 91.12 make regulations as it will be deemed fit for the proper management of the Bank;

91.13 recommend to the general meeting an external auditor for the Bank; and

91.14 perform any other duties stipulated by law.

Remuneration and Expenses

92. The remuneration of the Directors shall be determined by an ordinary resolution of the Bank and, unless the resolution otherwise provides, such remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings or separate meetings of the Holders of any class of shares or of debentures of the Bank or otherwise in connection with the business of the Bank. Any Director who serves on any committee or who devotes special attention to the business of the Bank 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 as the Board may determine which shall be charged as part of the Bank's ordinary working expenses.

Directors remuneration and expenses properly incurred

Disqualification and Removal of Directors

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

When Director's office is to be vacated

- 93.1 ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director or becomes elected as member of parliament; or becomes an office bearing politician; or
- 93.2 becomes bankrupt or makes any arrangement or

composition with his creditors generally; or

93.3 becomes of unsound mind; or

93.4 resigns his office by notice in writing to the Bank; or

93.5 is seventy or more years of age or is under 21 years of age; or

93.6 shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated.

Proceedings of Directors

94. Subject to the provisions of the Articles, the Directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the matter under consideration shall be deferred (to the next meeting or to an extra-ordinary meeting held to consider the matter) in order to give members more time to consider the issues raised. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors and it shall be necessary to give notice of a meeting to each of the Directors entitled to attend the meeting wherever he may reside.

Decisions of Directors by majority

95. The Directors shall elect one amongst their number to be the chairman of the Board for a term of one year who shall be eligible for re-appointment.

Election of the Chairman of the Board

96. The Directors may delegate any of their powers to any committee consisting of one or more Directors; any committee so formed shall in the exercise of the powers so delegated conform to any

Delegation of Directors' powers to a committee of Directors

regulations that may be imposed on it by the Directors. Subject to any such regulations, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

97. A resolution in writing, signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened and held, and may consist of several documents in the like form each signed by one or more Directors. Likewise, a resolution of the Directors entitled to receive notice of the meeting of the Directors made by all the Directors in a teleconference or videoconference or by letters or emails shall be as valid and effectual as if it had been passed at a meeting of all the Directors provided that such resolution shall thereafter be reduced to writing and signed by the chairman and the Bank secretary.

*Meetings of Directors by
circular resolution,
teleconference or video
conference*

98. Save as otherwise provided in these Articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interest of the Bank. Subject to and in accordance with the provisions of the Act, an interest of a person who is connected with a Director shall be treated as an interest of the Director.

*A Director interested in a
matter not to vote in
respect thereof*

99. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

Exclusion from quorum

100. The Bank may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter,

*Powers of Bank to suspend
Articles prohibiting
Director from voting*

any provision of these Articles prohibiting a Director from voting at a meeting of Directors or of a committee of Directors.

101. Where proposals are under consideration concerning the appointment of two or more Directors to offices or employment with the Bank or any body corporate in which the Bank is interested, the proposals may be divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

Proposals under consideration concerning appointment of two or more Directors

102. If a question arises at a meeting of Directors or of a committee of Directors to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

Questions regarding the right of Director to vote to be determined by Chairman

Minutes

103. The Directors shall cause minutes to be made in books kept for the purposes of:

Content of the minutes

- 103.1 all appointments of officers made by the Directors;
- 103.2 the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
- 103.3 all resolutions and proceedings at all meetings of the company, of the Holders of any class of shares in the company, and of the Directors; and
- 103.4 committees of Directors.

Managing Director

104. The Directors shall appoint a Tanzanian citizen, Managing Director, for such period and on such terms as they deem fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment: provided that such appointment and revocation shall be with the approval of at least three fourths (3/4) of all the Directors.
- Appointment and removal of
Managing Director*
105. The Managing Director shall be the Chief Executive of the Bank responsible to the Directors for the execution of the policies of the Bank as laid down by the Directors, and for the control and management of the Bank.
- Responsibilities of
Managing Director*
106. The Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.
- Remuneration of Managing
Director*
107. The Directors may entrust to and confer upon the Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either jointly with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- Directors may delegate
powers to Managing
Director*

Secretary

108. The secretary of the Bank shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them: provided that the secretary shall be an employee of the Bank.
- Appointment of Secretary
who shall be employee of the
Bank*
109. A provision of the Act or the Articles requiring or authorising a
- Secretary not to do*

thing to be done by or to a Director and the secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the secretary.

*anything acting both as
Secretary and Director*

The Seal

110. The seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors. A Director and a secretary or by a second Director may sign any instrument to which the seal is affixed.

*Use of Seal subject to
authority of Director*

Dividends and Reserve Fund

111. Subject to section 180 of the Act, the Bank may by ordinary resolution declare dividends in accordance with the respective rights of the Members, but no dividend shall exceed the amount recommended by the Directors.

*Dividends payment cannot
exceed amount
recommended by Directors*

112. Subject to the provisions of the Act, the Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Bank available for distribution.

Interim dividends payment

113. The Directors may, before recommending any dividend, set aside out of the profits of the Bank such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purposes to which the profits of the Bank may be properly applied and, pending such application, may at the like discretion, either be employed in the business of the Bank or be invested in such investments (other than shares of the Bank) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

*Setting aside reserve out of
profit for specified purposes*

114. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid on the shares during the 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 at particular date, that share shall rank for dividend accordingly.

Dividends to be declared and paid according to amounts paid on shares except for rights attached to shares

115. Any general meeting declaring a dividend may, upon the recommendation of the Directors, direct payment of such dividend wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same, and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of Members, and may vest any assets in trustees. The Directors shall have full liberty to make all such valuations, adjustments and arrangements, and to issue all such certificates or documents of title as may in their opinion be necessary or expedient with a view to facilitating the equitable distribution amongst the Members of any dividends or portions of dividends to be satisfied as aforesaid or to giving them the benefit of their proper shares and interests in the property, and no valuation, adjustment or arrangement so made shall be questioned by any Member.

Payment of dividends may be by distribution of assets, issue of fractional certificates or cash payment

116. Any dividend, interest or other moneys payable in respect of shares may be credited in an account maintained by the Member at any of the Bank's branches or paid by cheque sent through the post to the registered address of the holder or, in the case of joint Holders, to the registered address of that one of the joint Holders who is first named in the Register or to such person

Dividend paid in cash may be paid by cheque or be credited to account held by Member at any branch of the Bank

and to such address as the holder or joint Holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque shall be a good discharge to the company. Any one of two or more joint Holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by them as joint Holders.

117. No dividend or other moneys payable in respect of a share shall bear interest against the Bank unless otherwise provided by the rights attached to the share.

No dividend shall bear interest against the Bank unless otherwise so provided by rights attached to shares

118. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment, if the Directors so resolve, shall be forfeited and cease to remain owing by the Bank.

Unclaimed dividend to be forfeited

Accounts

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

Accounts to be kept in respect of matters specified

119.1 all sums of money received and expended by the Bank and the matters in respect of which the receipt and expenditure takes place;

119.2 all sales and purchases of goods by the Bank; and

119.3 the assets and liabilities of the Bank.

Proper books shall not be deemed to be kept if such books are not kept as are necessary to give a true and fair view of the state of the Bank's affairs and to explain its transactions.

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| 120. | The books of account shall be kept at the registered office of the Bank, or, subject to section 151(4) of the Act, at such other place or places as the Directors think fit, and shall always be open to the inspection by the Directors. | <i>Books of account to be kept at registered office</i> |
| 121. | No Member shall (as such) have any right of inspecting any accounting records or other book or document of the Bank except as conferred by statute or authorised by the Directors or by ordinary resolution of the Bank. | <i>Rights of Members to inspect accounts defined</i> |
| 122. | The Directors shall, in accordance with section 153, 155 and 159 of the Act, cause to be prepared and to be laid before the Bank in general meeting such profit and loss accounts, balance sheets, cash flow statements, group accounts (if any) and reports as are referred to in those sections. | <i>Directors duty under Sections 153, 155 and 159 of the Act to lay accounts before the general meeting</i> |
| 123. | In accordance with section 166 of the Act (the laying and delivering of accounts and reports shall be seven (7) months from the completion of the accounting period) the copy of the Bank's annual accounts to be laid before the Bank in general meeting together with a copy of the Director's report and the auditor's report shall, not less than twenty-one days before the date of the meeting, be sent to every Member of and every holder of debentures of the Bank: provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Bank is not aware of or to more than one of the joint Holders of any shares or debentures. | <i>Obligation of Directors under Section 166 of Act for delivering reports</i> |
| 124. | The Accounting reference date shall be the 31 st December, or such other date as the Directors shall determine. | <i>Accounting reference date</i> |
| 125. | The Directors at a date not later than eighteen months after the incorporation of the Bank and subsequently once at least in every calendar year shall lay before the general meeting a profit and loss account, a balance sheet at the last day of the | <i>Directors to lay before general meeting profit and loss account balance sheet and cash flow statements</i> |

accounting period and a cash flow statement. In the case of the first account since the incorporation of the Bank, and in any other case since the preceding account, made up to a date not earlier than the date of the meeting by more than seven (7) months from completion of accounting period.

126. A balance sheet shall be made out in every calendar year and laid before the general meeting, made up to the date to which the profit and loss account is made up. Such balance sheet shall be accompanied by the report of the Directors as to the state of the Bank's affairs and the amounts (if any) which they recommend to be paid in dividend or propose to carry to reserve, by a report of the Auditors, and by such other documents as are required by the Act to be annexed thereto.

*Balance sheet accompanied
by report of Directors,
Auditors*

127. A printed copy of the Director's report accompanied by printed copies of the balance sheet, profit and loss account and other documents required to be annexed to the balance sheet shall, not less than fourteen days before the date of the general meeting, be made available to the Bank branches and every Member, or debenture holder shall have access to the same: provided that this Article shall not apply to a holder of debenture whose address the Bank is unaware of or to more than one of the joint Holders of any shares or debentures. And the accidental omission to send any such documents to a Member shall not invalidate the proceedings at the general meeting. The Auditors' report shall be read before the general meeting.

Capitalisation of Profits

128. The Members in a general meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Bank's reserve accounts or to the credit of the profit and loss account or otherwise available for

*Members on
recommendation of
Directors may decide to
capitalise profits*

distribution and, accordingly, that such sum be set free for distribution amongst the Holders who would have been entitled thereto if distributed by way of dividends and in the same proportions on condition that the same be not paid in cash but be applied in or towards paying up in full un issued shares or debentures of the Bank to be allotted and distributed on credited as fully paid up to and amongst such Holders in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution: provided that a share premium account and capital redemption reserve fund may, for the purposes of this regulation, only be applied in the paying up of un-issued shares to be issued to Members as fully paid bonus shares.

129. Where a resolution under Article 129 is passed, the Directors shall make all appropriations and applications of the undivided profits to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the share holders entitled thereto into an agreement with the Bank providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or may require) for the payment up by the Bank on their behalf, by the application thereto of their respective proportions of (as the case the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such Members.

*Appropriation and
application of the undivided
profits to be capitalised*

Audit

130. The External Auditors of the Bank shall be appointed at the general meeting upon recommendation by the Board from a list of audit firms approved by the Bank of Tanzania. *General meeting to appoint external Auditors*
131. No person shall be appointed auditor of the Bank or continue to be the auditor of the Bank if his appointment as such would be in contravention of the provisions of the Act and/ or the B&FI Act.
132. Auditors shall be entitled to receive all notices of and other communications relating to any general meeting which any Member is entitled to receive and shall be entitled to attend any general meeting and to be heard thereat on any part of the business of the meeting which concerns the Auditors in their capacity as such. *Auditors must receive notices to attend and speak at general meetings*
133. Auditors shall be appointed and their duties regulated in accordance with sections 170 to 179 of the Act. *Appointment of Auditors to be in accordance with the law*

Notices

134. Any notice to be given pursuant to the Articles shall be in writing and may be served by the Bank upon any Member 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 or by leaving it at the address, or and by advertising the notice in a newspaper of general circulation in Tanzania or by radio and television. *Notices to be in writing and may be served personally or sent by post or by advertising in newspaper*
135. All notices directed to be given to the Members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register, and any notice so given shall be sufficient notice to the Holders of such share. *Notice to joint Holders to be to the first named in other media.*

136. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the Register, has been duly given to a person from whom he derives his title.

137. A notice may be given by the Bank to the persons entitled to any share in consequence of the death or bankruptcy of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives or trustees of such deceased or bankrupt Member, at the address (if any) in Tanzania supplied for the purpose by such persons as aforesaid, or (until such an address has been supplied) by giving the notice in the manner in which the same would have been given if the death or bankruptcy had not occurred.

*Holders of transmitted
shares entitled to notice*

138. Any notice or other document, if served or sent by post, shall be deemed to have been served or delivered at the expiration of 7 days from the time when the envelope containing the same was posted and in any other case at the time at which the letter would be delivered in the ordinary course of post but that the Bank should opt to send documents by post only if it is the most practical and economic means of transmitting documents to Members.

Notice sent by post

Winding up

139. If the Bank is wound up, the liquidator may, with sanction of a special resolution of the Bank and any other sanction required by the Act, divide amongst the Members in specie the whole or any part of the assets of the Bank and may, for that purpose, set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the Members of different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the

Winding up

benefit of the Members as the liquidator, with the like sanction, shall determine, but no Member shall be compelled to accept any shares or other securities upon which there is a liability.

Indemnity

140. Subject to the provisions of the Act and the B&FI Act, every Director or officer of the company shall be entitled to be indemnified by the Bank against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto and none shall be liable for the acts, receipts, neglects or defaults of others or for joining in receipts for the sake of conformity or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trust or in relation thereto unless the same shall happen by or through their own wilful neglect or default respectively.

Directors to be indemnified against all costs, charges, losses expenses and liability incurred in exercise of duty except for wilful negligence or default

Declaration of Secrecy

141. Every Director, manager, trustee, auditor, the secretary and every officer, servant, clerk, agent, or other person employed by the Bank shall, before entering upon his duties, subscribe to such declaration as the Directors may from time to time prescribe, engaging themselves to observe, as provided in the B&FI Act, secrecy with respect of the dealings and the state of the accounts of the customers of and the persons dealing with the Bank and any other matters which come to their respective knowledge by virtue of their respective offices, except only so far as it is necessary for the execution of their respective offices, trust or duty to disclose the same

Declaration of Secrecy

Dispute Resolution between the Bank and Member

142. In the event a dispute arises from or in connection with the provisions of the Articles relating only to the rights and duties of Members as such, the dispute may be resolved amicably between the Bank and the relevant Member, failing which the party aggrieved may either take legal action in any court of competent jurisdiction in Tanzania or resolve the matter through arbitration using UNICITRAL arbitration rules with each party entitled to appoint one arbitrator and the third arbitrator to be appointed by both parties. The substantive law applicable shall be the laws of Tanzania. Choice of court excludes arbitration and vice versa.

*Dispute between Members
and Bank only in respect of
rights or duties of Members*

Amendment to Articles

143. Any of the Articles contained herein shall only be amended by a special resolution passed by a majority of not less than three-fourths of such Members as, being entitled so to do, vote in person or, by Proxy, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

*Procedure for
amendment of Articles*

No.	Name, Postal Address and Description of Subscribers	Number of Shares taken	Signature
1.	IPP LIMITED P.O. BOX 32702 DAR ES SALAAM	1	Director <i>Signed</i> Secretary <i>Signed</i>
2.	MR. D. SULLA P.O. BOX 545 SHINYANGA	1	<i>Signed</i>
3.	MR. ANDREW MUHAZI P.O. BOX 5 BUKOBA	1	<i>Signed</i>
4.	L.M.ENTERPRISES LIMITED P.O. BOX 20640 DAR-ES-SALAAM	1	Director <i>Signed</i> Secretary <i>Signed</i>
5.	MR. H.V.N.CHIBULUNJE P.O. BOX 20640 DAR-ES-SALAAM	1	<i>Signed</i>
6.	PROF. S MBILINYI P.O. BOX 9111 DAR-ES-SALAAM	1	<i>Signed</i>
7.	MR. JOHN C. RUBAMBE P.O. BOX 268 DAR-ES-SALAAM	1	<i>Signed</i>

Witness to the Signatures: RAPHAEL CHACHA

Signature: SIGNED

Description: ADVOCATE

Dated the 27th day of June, 1996