**SHAREHOLDERS AGREEMENT**

**THIS AGREEMENT** is made:

And based on the earlier shareholder meeting to change company strimup ltd to streamupbox ltd we agreed the following.

**BETWEEN**

(1) the individual listed in Schedule 1(the Existing Shareholders);

(2) the individual listed in Schedule 2(the New Shareholders);

(3) StrimUp, a company incorporated in Rwanda with the registered number 103727299 whose registered office is at Kigali(the Company).

**BACKGROUND**

A. The Company is a private limited company incorporated in Rwanda.

B. The Company has an issued share capital of 55 shares of 100 shares in total.

C. The existing Shareholders are the registered of the number of shares in the Company set out opposite their names in Schedule 1.

D. The new Shareholders have agreed to Subscribe for the number shares in the Company opposite their names in Schedule 2.

E. This agreement sets out how the parties have agreed to manage the affairs of the Company and the relationship between them as Shareholders.

The Existing Shareholders agree that:

**MEANINGS**

1. When in this Agreement these words and phrases have defined meanings:

|  |  |
| --- | --- |
| Act | Companies Act 2016; |
| Annual Business Plan | A plan prepared by the Board for each Financial Year outlining the Company's proposed objectives, containing cash flow projections and an operating budget for that Financial Year; |
| Articles | The articles of association of the Company as amended or replaced; |
| Auditors | The Company's auditors are accountants; |
| Bank | The Company's bankers as appointed from time to time; |
| Board | The Company's board of directors; |
| Business | The profession, trade or business of ………………….. to be carried on by the Company or any other business decided in line with this agreement; |
| Business Day | A day other than a Saturday,a Sunday or a public holiday in Rwanda; |
| Business Hours | From 7:30am to 6:00pm; |
| Confidential Information | All information of a confidential nature concerning the Company, a Shareholder( or former Shareholder) or their respective businesses(including details of customers, clients, suppliers, plans, intentions, market opportunities,operations,processes,product information, know-how, designs, trade secrets or software) and the terms of this Agreement; |
| Clear Days | In relation to a period of notice or other communication, that period excluding the day when the notice or communication is given and the day it takes effect; |
| Director | A Director of the Company; |
| Distributable Profits | The amount the Company's profits available for distribution to shareholders under the Act; |
| Expenditure Limit | $1000; |

d. a party means a party to this Agreement and includes its assignees and successors in title and, in the case of an individual, to his estate and personal representatives;

e. reference to a Section, paragraph or Schedule is to a Section, paragraph or Schedule of or to this Agreement( and the Schedules form part of this Agreement);

f. reference to a statute or statutory provision includes any modification of or amendment to it , and all statutory instruments or orders made under it;

g. reference to the time of day is to a time in Kigali; and

h. reference to **writing** or **written** includes faxes and email but not any other type of electronic communication.

3. The headings in this document are for convenience only and do not affect interpretation of this Agreement.

**PRELIMINARIES**

**Share issue**

4. As soon as possible each New Shareholder must:

a. subscribe for the number of shares for the amount shown opposite his name in Schedule 2; and

b. pay the Company the amount shown in Schedule 2.

5. The Board will allot and issue the Shares subscribed for to the New Shareholder as soon as it has received payment of the relevant subscription amount.

**Shareholder loans**

6. The Shareholder will lend the Company the amounts shown opposite their names in Schedule 3. Each loan will comply with the Dividend policy Section of this Agreement.

**Start and duration**

7. This Agreement:

a. takes effect on the Start Date;

b. will continue in effect the Company's winding up begins; and

c. will bind each Shareholder as long as he continues to be a Shareholder, but subject to the Miscellaneous Section below.

8. The Company will carry on the Business and continue until wound up in line with the Act.

**Administration**

9. The Directors of the Company will initially be the individuals listed in Schedule 4.

10. Muragijimana Richard will initially be chairman of the Board.

11. Unless otherwise agreed by the Board:

a. the registered office of the Company will be ……………………………kg25 Kigali;

b. the Business will initially be carried on fro kg25 Kigali; and

c. the Auditors of the Company will be such auditors or accountants as may be appointed by

the Board in any Financial Year.

**Articles of association**

12. On the start Date the Company's Articles are the Model Articles.

**Warranties**

13. Each Shareholder warrants to the Shareholder that he can accept and perform his obligations under this Agreement without being in breach of any other obligation he is bound by.

**ACCOUNTING AND FINANCIAL MATTERS**

**Accounting**

14. The accounting reference date of the Company will be the 1st January in each year.

15. The Company must maintain complete and accurate accounting and other financial records giving a true and fair view of the Business, the state of affairs and profit and loss of the Company.

16. The accounting and other financial records will be kept at the Company's registered office or principal place of business( or any other place the Board decides) and will be open to inspection by the Directors during Business Hours on Business days.

**Banking arrangements**

17. The bank is the Company's bankers as appointed from time to time.

18. The Company's bankers will be the Bank.

19. All money and payments received by or on behalf of the Company must be paid promptly into the Company's bank account and all securities for the money must be promptly deposited in the Company's name with the Bank.

20. All cheques or instructions for the electronic transfer of the money from any amount of the Company with the bank must be in the Company's name and can be drawn or given:

a. For amounts up to and including the Expenditure Limit, by any one Director; and

b. For amounts in excess of the Expenditure for electronic transfer, written confirmation of those instructions will be signed by the authorizing Director(s).

**Funding**

21. No shareholders will be obliged to subscribe for additional shares in the Company or provide additional funding to the company( other than Shares he has agreed to).

22. Additional funding required by the Company will be borrowed from the Bank or from other normal sources on terms agreed in writing by all the Shareholders.

23. I f a loan is not available on terms acceptable to all Shareholders, any funds advanced to the Company by any Shareholder will be a loan on terms to be agreed with the other Shareholders. Any loan made to the Company by a Shareholder will be interest free and unsecured unless otherwise agreed by all the other Shareholders.

24. Any guarantees or indemnities given by the Shareholders for obligations of the Company must be given jointly and severally by all the Shareholders.

**Dividend Policy**

25. No dividend will be declared or paid to any Shareholder while any loan from any Shareholder are outstanding.

26. A minimum of 30% of the Distributable profits in each Financial Year shown in the Company's annual accounts for that period will be declared and distributable as dividends to the Shareholders not later than 12 months after delivery of the relevant accounts to the Directors for approval.

**SHARES**

**Issues of additional Shares**

27. If The Company wishes to issue Shares in addition to those provided for in this agreement, the Shareholders will ensure(as far as lawfully possible) that the Company gives notice to each Shareholder stating the number of shares to be issued and the issue price per share(the **Issue Notice**).

28. Each Shareholder can (but not obliged to ) subscribe at the price stated in the issue Notice for a number of Shares in proportion to his existing shareholding. The option must be exercised by notice to the Company at any time within 15 Business Days following the issue Notice accompanied by payment for the shares.

29. The company can issue as it sees fits any Shares referred to in the Issue Notice that the Shareholders do not take up as long as the issue is completed within 25 Business Day after the Issue Notice.

30. If Shares are to be issued to any person not already a Shareholder, the Issue will not happen until the proposed Shareholder has signed a deed of adherence to be bound by this Agreement from the date he becomes a Shareholder.

**Transfer of Shares**

31. No Shareholder can sell or transfer any Share( or any interest in any Share) except in line with the following paragraphs

32. A shareholder can transfer all or any of his shares(or any interest in any share) with the written consent of all the other Shareholders .

33. Unless he has the consent of all the other Shareholders, a shareholder who wishes any of his Shares(the **Seller)** to another person must give written notice( a **Seller's Notice)** to the Company and the other Shareholders(the **Continuing Shareholders).** Each Seller's Notice must state the number of Shares the seller wishes to transfer(the **sale Shares),** details of the person he intends to transfer the Sale Shares to, the proposed price per Sale Share(the **Sale Price)** and any other specific terms.

34. Each Continuing Shareholder can(but is not obliged to) apply to buy any number of sale Shares at the Sale Price and on any other specific terms stated in the Seller's Notice. The option must be exercised by notice to the Company at any time within 15 Business Days of the Seller's Notice.

35. If there is a competition between the continuing Shareholders for the Sale Shares, the Sale Shares will be treated as offered to the Continuing Shareholders who accepted in proportion(as nearly as possible) to their existing holdings of Shares(the **Proportionate Allocation).**

36. A continuing Shareholder can indicate he would be willing to buy a particular number of Shares excess of his Proportionate Allocation(**Extra Shares)** when applying for sale shares.

37. The Company will allocate the sales Shares as follows:

a. if the total number of the Sale Shares applied for by the continuing Shareholders is greater than the available number of sale Shares.

c. the Professional advisers of the Company

**Obligation on leaving**

69. Unless agreed by the other Shareholders, no shareholder can do any of the following while he is a Shareholder or during the 12 month period after his leaving Date:

a) Engage in any business similar to the Business or with a similar name to the Company(whether on his own account or through a firm, company or other organisation he is involved with) or which competes with the Business within a 10 mile radius of any place of business of the Company on his Leaving date;

b) Interfere with solicit or try to entice away from the company a person he knows was a client or customers to the company, during the 12 month period before hie leaving date'

c) Supply goods or services to or deal with(whether on his own account or through a firm, company or other organisation he is involved with) a person he knows is a client or customer of the Company on his leaving Date; or

d) try to entice away from the Company, employ or otherwise engage anyone who is

I. A shareholder

ii. An employee

iii. A senior employee of the company on his leaving Date.

70. Each leaving Shareholder must pay the company's bank account immediately all sums due from him to the company.

71. Each leaving Shareholder must return to the Company all accounting records, and others documents in his possession relating to the Company which are needed for the continuing conduct of the Business.

72. Each Leaving Shareholder must promptly do everything and sign all documents reasonably requested by the Company(and at the Company's sole expense) to transfer to it any property or assets owned the Leaving Shareholder as nominee for or in trust for the Company

**Intellectual property**

73. The Company owns absolutely any intellectual Property created or discovered by a shareholder which relates to the business or can be used in the Business(other than Intellectual property which the shareholder, acting reasonably and in good faith, agree was not connected with and did not in any way affect or relate to the business as at the date of its creation or discovery and was not intended to be connected with or otherwise so affect or relate to the Business).

74. Shareholders must promptly notify the company of all the intellectual property they have created(or partly created) and which relates to the business or can be used in business. All this intellectual property will vest in the Company automatically on creation(and if it does not, the relevant shareholder(s) will hold it on trust for the Company). Shareholders must, at the company's sole expense, promptly do everything and sign all documents necessary to transfer ownership of this intellectual property to the company and enable the company to enforce its intellectual property.

**GENERAL**

**Status of this Agreement**

75. This Agreement will prevail if any its provision conflicts with anything in the Articles. Any Shareholder can require that the Shareholders amend the Articles to bring them in line with this Agreement.

76. Each Shareholder will exercise his voting rights and other powers of control relating to the Company to ensure this Agreement is observed in line with its spirit and parties' intentions.

**Assignment**

77. Shareholders cannot assign, sub-contract or in any other way transfer to any third party the benefit and/or burden of this Agreement without the prior written agreement of all the other shareholders(who cannot withhold consent unreasonably).

**Notices**

78. Any notice( other that in legal proceedings) to be given under this Agreement must be in writing and delivered by handling it personally, in the case of the shareholder, to the shareholder in question, or by posting pre-paid first class post or by leaving it by hand delivery at the registered address of the company or, in the case of a shareholder, at the last known address of such shareholder or by sending it by email to the business email address of the chief executive or equivalent in the case of the Company and in the case of a shareholder, that shareholder's email address as notified by the shareholder in question as being an address at which such shareholder is prepared to accept service of notices.

79. Notices which are:

a. sent by post will be deemed to have been received, where posted from and to address in the Rwanda, on the second business day after the date of posting, and where posted from or to addresses outside Rwanda, on the tenth business day after the date of posting;

b. Delivered by hand will be deemed to have been received at the time the notice is left at the proper address; and

c. sent by email will be deemed to have been received on the next business day after sending.

**Company communications**

80. The shareholders agree to the use by the company of electronic communication when communicating with the shareholders at the company's discretion.

**Entire agreement**

81. This agreement contains the whole agreement between the parties relating to its subject matter and supersedes all prior discussions, arrangements or agreements that might have taken place in relation to the agreement. Nothing in this paragraph limits or excludes any liability for fraud or fraudulent misrepresentation.

**Variation**

82. No variation to this Agreement will be valid or binding unless it is recorded in writing and signed by or on behalf of the parties.

**No partnership or agency**

83. This agreement does not create a partnership between any of the shareholders.

84. Nothing in this agreement makes any shareholder an agent of any other shareholder.

**Miscellaneous**

86. No delay act or omission by third party in exercising any right or remedy will be deemed a waiver of that, or any other, right or remedy.

87. Provisions which by their intent or terms are meant to survive the termination of this Agreement will do so.

88. If any court or competent authority finds that any provision of this agreement(or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision will, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of this agreement will not be affected.

**Further assurance**

**…..**

**SCHEDULE 1**

Existing shareholders

**Name Address Number of shares held**

Muragijimana Richard kg25b, Kigali 20

**SCHEDULE 2**

New Shareholders

**Name Address Number of shares held Amount**

Murekezi Derick 20 1200$

Muragijimana Richard 25

Ganza respice 10

**SCHEDULE 3**

Loans

**Name of the shareholder Amount of loan**

Murekezi Derick

**SCHEDULE 4**

**Initial Directors**

Muragijimana Richard