SHARE HOLDERS AGREEMENT

THIS AGREEMENT is made:

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………………… 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 ₤…………………………….

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 2006; |
| 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 2:00pm to 11:00am; |
| 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 statue 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 authorising Director(s).