

REPUBLIC OF ZAMBIA

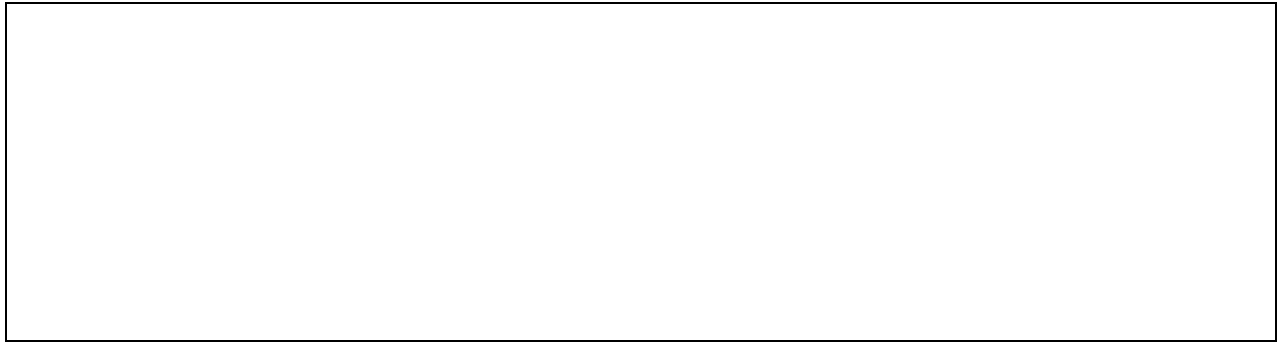
**THE COMPANIES ACT
(NO.10 of 2017)**

ARTICLES OF ASSOCIATION

OF

INNOVARE ADVISORY LIMITED

(PRIVATE COMPANY LIMITED BY SHARES)



**THE COMPANIES ACT
(NO. 10 OF 2017)**

ARTICLES OF ASSOCIATION

OF

**INNOVARE ADVISORY
LIMITED**

Table of Division

1. Interpretation
2. Share Capital and Variation of Rights
3. Calls on Share
4. Lien

5. Forfeiture of Shares
6. Transfer of Shares
7. Transmission of Shares
8. Conversion of Shares into Stock
9. Alteration of Capital
10. General meetings
11. Proceeding at General Meetings
12. Directors
13. Borrowing Powers
14. Proceedings at General Meetings
15. Managing Directors
16. Associate Directors
17. Secretary
18. Seal
19. Inspection of Records
20. Dividends and Reserves
21. Capitalization of Profit
22. Winding up
23. Indemnity

THE COMPANIES ACT

(NO. 10 OF 2017)

ARTICLES OF FUSION MINING LIMITED

1 – Interpretation

1. (1) In these regulations, unless the context otherwise requires:
 - “Act” means the Companies Act, 2017;
 - “prescribed rate of interest” means the rate of interest prescribed in regulation made under the act for the purpose of the Standard Articles;
 - “seal” means the common seal of the company and includes any official seal of the company;
 - “resolution” means an ordinary resolution of the company;
 - “secretary” means any person appointed to perform the duties of a secretary of the company.
2. Unless the context otherwise requires an expression, if used in a provision of these regulations that deals with a matter dealt with by a particular provision of the Act, has the same meaning as in that provisions of the Act.

2 – Share Capital and Variation of Rights

- (2) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, but subject to the Act, shares in the company may be issued by the directors and any such share may be issued with such preferred deferred or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the director, subject to a resolution, determine.
- (3) The directors shall not issue any rights or options to shares in favour of any persons unless the issue has been authorized at a general meeting by a special resolution.
- (4) Subject to the Act, any preference shares may, with the sanction of a resolution, be issued on the terms that they are, or at the option of the company are liable to be redeemed.
- (5) (1) 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 company is being wound-up, be varied with the consent in writing of the holders of

three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class.

(2) The provisions of the Act and these regulations relating to general meetings apply so far as they are capable of application and with the necessary modifications to every such class meeting except that -

- (a) where a class has only one member - that member shall constitute a meeting;
- (b) in any other case - a quorum shall be constituted by two persons who, between them, hold or represent by proxy one-third of the issued shares of the class; and
- (c) any holder of shares of the class, present in person or by proxy, may demand a poll.

3. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class, be varied by the creation or issue of further shares ranking equally with the first-mentioned shares.

6. (1) The company may make payments by way of brokerage or commission on the issue of shares.

(2) Such payments shall not exceed the rate of 10 per cent of the price at which the shares are issued or an amount equal to 10 per cent of that price, as the case may be.

(3) Such payments may be made in cash, by the allotment of fully or partly paid shares or partly by the payment of cash and partly by the allotment of fully or partly paid shares

7. (1) Except as required by law, the company shall not recognize a person as holding a share upon any trust.

(2) The company shall not be bound by or compelled in any way to recognize (whether or not it has notice of the interest or rights concerned) any equitable, contingent, future or partial interest in any share or unit of a share or (except as otherwise provided by these regulations or by law) any other right in respect of a share except an absolute right of ownership in the registered holder.

8. (1) A person whose name is entered as a member in the register of members shall be entitled without payment to receive a certificate in respect of the share under the seal of the company in accordance with the Act but, in

respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate.

- (2) Delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (3) If a share certificate is defaced, lost or destroyed, it may be renewed on payment of the fee allowed by the Act, or such lesser sum, and on such terms (if any) as to evidence and the payment cost to the company of investigating evidence as the directors decide.

3 – Calls on Shares

9. (1) The directors may make calls upon the members in respect of any money unpaid on the shares of the members (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue of those shares made payable at fixed times, except that no call shall exceed one-quarter of the sum of nominal values of the shares or be payable earlier than one month from the date fixed for the payment of the last proceeding call.

- (2) Each member shall, upon receiving at least fourteen days notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified the amount called on his shares.

- (3) The directors may revoke or postpone a call.

10. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call were passed and may be required to be paid by installments.

11. The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.

12. If a sum called in respect of a share is not paid before or on the day before or on the day appointed for payment of the sum, the person from whom the sum is due shall pay interest on the sum not exceeding the prescribed rate of interest as the directors determine, but the directors may waive payment of that interest wholly or in part.

13. Any sum that, by the terms of issue of a share, becomes payable on allotment or at a fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purpose of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue the sum becomes payable, and, in case of non-payment, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise apply as if the sum had become payable by virtue of a call duly made and notified.

14. The directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
15.
 - (1) The directors may accept from a member the whole or a part of the amount unpaid on a share although no part and the times of payment.
 - (2) The directors may authorize payment by the company of interest upon the whole or any part of an amount so accepted, until the amount becomes payable, at a rate agreed upon between the directors and the member paying the sum subject to sub regulation (3).
 - (3) For the purpose of sub regulation (2), the rate of interest shall not be greater than—
 - (a) if the company has, by resolution, fixed a rate—rate the so fixed; and
 - (b) in any other case the prescribed rate of interest.

4—Lien

16.
 - (1) The company has a first and paramount lien on every share (not being a fully paid share) for all money (whether presently payable or not) called or payable at a fixed time in respect of that share.
 - (2) The company also has a first and paramount lien on all shares (other than fully paid shares) registered in the name of a sole holder for all money presently payable by him or his estate to the company.
 - (3) The directors may at any time exempt a share wholly or in part from the provisions of this regulation.
 - (4) The company's lien (if any) on a share extends to all dividends payable in respect of the share.

5—Forfeiture of Shares

17.
 - (1) If a member fails to pay a call or installment of a call on the day appointment for payment of the call or installment, the directors may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest that has accrued.
 - (2) The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made shall state that, in the event of non-payment at or before the time

appointed, the shares in respect of which the call was made will be liable to be forfeited.

18.
 - (1) If the requirements of a notice served under regulation 17 are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect.
 - (2) Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
19. A forfeiture share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the directors think fit.
20. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the company all money that, at the date of forfeiture, was payable by him to the company in respect of the shares (including interest at the prescribed rate of interest from the date of forfeiture on the money for the time being unpaid if the directors think fit to enforce payment of the interest), but his liability shall cease if and when the company receives payment in full of all the money (including interest) so payable in respect of the share.
21. A statement in writing declaring that the person making the statement is a director or a secretary of the company, and that a share in the company has been duly forfeited on a date stated in the statement, shall be *prima facie* evidence of the facts stated in the statement as against all persons claiming to be entitled to the share.
22.
 - (1) The Company may receive the consideration (if any) given for a forfeited share on any sale or disposition of the share and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.
 - (2) Upon the execution of the transfer, the company shall register the transferee as the holder of the share.
 - (3) The transferee shall not be bound to see to the application of any money paid as consideration.
 - (4) The title of the transferee to the share shall not be affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the share.
23. The consideration referred in regulations 22 shall be applied by the company in payment of such part of the amount in respect of which the lien exists as

is presently payable, and the residue (if any) shall (subject to any like lien for sums not presently payable that existed upon the shares before the sale) be paid to the person entitled to the shares immediately before the transfer.

24. The provisions of these regulations as to forfeiture shall apply in the case of non- payment of any sum that, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the shares or by way of premium, as if that sum had been payable by virtue of a call duly made and notified.

6—Transfer of Shares

25. (1) Subject to these regulations, a member may transfer all or any of his shares by instrument in writing in a form prescribed for the purpose of section *one hundred and eighty eight* of the Act or in any other form that the directors approve.

- (2) An instrument of transfer referred to in sub regulation (1) shall be executed by or on behalf of both the transferor and the transferee.

26. The instrument of transfer shall be left for registration at the registered office of the company, together with such fee (if any) not exceeding two monetary units as the directors require, accompanied by the certificate of shares to which it relates and such other information as the directors properly require to show the right of the transferor to make the transfer, and thereupon the company shall subject to the powers vested in the directors by these regulations, register the transferee as a shareholder.
27. The directors may decline to register a transfer of shares, not being fully paid shares, to a person of whom they do not approve and may also decline to register any transfer of shares on which the company has a lien.
28. The directors may refuse to register any transfer that is not accompanied by the appropriate share certificate, unless the company has not yet issued the share certificate or is bound to issue a renewal or copy of the share certificate.
29. The registration of transfer may be suspended at such times and for such periods as the directors from time to time determine, provided that the periods do not exceed in the aggregate thirty days in any year.

7—Transmission of Shares

30. In the case of the death of a member, the survivor where the deceased was a joint holder, and the legal personal representative of the deceased where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares, but this regulation does not release the estate of a deceased joint holder from any liability in respect of a share that had been jointly held by him with other person.

31. (1) Subject to any written law relating to bankruptcy, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such information being produced as is properly required by the directors, elect either to be registered himself as holder of the share or to have some other person nominated by him registered as the transferee of the share.
- (2) If a person becoming entitled elects to be registered himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (3) If he elects to have another person registered, he shall execute a transfer of the share to that other person.
- (4) All the limitations, restrictions and provisions of these regulation relating to the right to transfer, and the registration of the transfer of share are applicable to any such notice or transfer as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.
32. (1) Where the registered holder of a share dies or becomes bankrupt, his personal representatives or the trustee of his estate, as the case may be, shall be upon the production of such information as is properly required by the directors, entitled to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the company, or to voting or otherwise), as the registered holder would have been entitled to if he had not died or become bankrupt.
- (2) Where two or more persons are jointly entitled to any share in consequence of the death of the registered holder, they shall, for the purposes of these regulations, be deemed to be joint holders of the shares.

8—Conversion of Shares into Stock

33. The company may, by resolution, convert all or any of its paid up shares into stock and reconvert any stock into paid up shares of any nominal value.
34. (1) Subject to sub regulation (2), where shares have been converted into stock, the provisions of these rules relating to the transfer of shares apply, so far as they are capable of application, to the transfer of the stock or of any part of the stock.
- (2) The directors may fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the aggregate of the nominal value of the shares from which the stock arose.

35. (1) The holders of stock shall have, according to the amount of the stock held by them, the same rights, privileges and advantages as regards dividends, voting at meetings of the company and other matters as they would have if they held the shares from which the stock arose.

(2) No privilege or advantage shall be conferred by any amount of stock that would not, if existing in shares, have conferred that privilege or advantage.

36. The provisions of these regulations that are applicable to paid up shares shall apply to stock, and references in those provisions to share and shareholder shall be read as including references to stock and stockholder, respectively.

9—Alteration of Capital

37. The company may be resolution--

- (a) increase its authorized share capital by the creation of new shares of such amount as is specified in the resolution;
- (b) consolidate and divide all or any of its authorized share capital into shares of larger amount than its existing shares;
- (c) subdivide all or any of its shares into shares of smaller amount than is fixed by the certificate of share capital, but so that in the subdivision the proportion between the amount paid and the amount (if any) unpaid on each such share of a smaller amount is the same as it was in the case of the share from which the share of a smaller amount is derived; and
- (d) cancel shares that, at the date of passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited, and reduce its authorized share capital by the amount of the shares so cancelled.

38. (1) Subject to any resolution to the contrary, all un issued shares shall, before issue,

be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion, as nearly as the circumstances allow, to the sum of the nominal values of the shares already held by them.

- (2) The offer shall be made by notice specifying the number of shares offered and delimiting a period within which the offer, if not accepted, will be deemed to be declined

- (3) After the expiration of that period or on being notified by the person to whom the offer is made that he declines to accept the shares offered, the directors may issue those shares in such manner as they think most beneficial to the company.
 - (4) Where, by reason of the proportion that shares proposed to be issued bear to shares already held, some of the first-mentioned shares cannot be offered in accordance with sub regulation (1), the directors may issue the shares that cannot be so offered in such manner as they think most beneficial to the company.
39. Subject to the Act, the company may, by special resolution, reduce its share capital, any capital redemption reserve fund or any share premium account.

10—General Meetings

40. (1) A director may, whenever he thinks, fit convene a general meeting.
- (2) If no director is present within Zambia, any two members may convene a general meeting in the same manner, or as nearly as possible, as that in which such meetings may be convened by a director.
- (3) A general meeting shall be held in Zambia unless all the members entitled to vote at that meeting agree in writing to a meeting at a place outside Zambia.
41. (1) A notice of a general meeting shall specify the place, the day and the hour of meeting and, except as provided by sub regulation (2), shall state the general nature of the business to be transacted at the meeting.
- (2) It shall not be necessary for a notice of an annual general meeting to state that the business to be transacted as the meeting includes the declaring of a dividend, the consideration of annual accounts and the reports of the directors and auditors, the election of directors in the place of those retiring or the appointment and fixing of the remuneration of the auditors.

11—Proceedings at General Meetings

42. (1) 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.
- (2) For the purpose of determining whether a quorum is present, a person attending as a proxy, or as representing a body corporate or association that is a member, shall be deemed to be a member.

43. If a quorum is not present within half an hour after the appointed for the meeting--

(a) Where the meeting was convened upon the requisition of members—the meeting shall be dissolved; or

(b) In any case--

(i) the meeting shall stand adjourned to such day, and at such time and place, as the directors determine or, if no determination is made by the directors, to the same day in the next week at the same time and place; and

(ii) if a quorum is not present at the adjourned meeting within half an hour after the time appointed for the meeting-

(a) Two members shall constitute a quorum; or

(b) The meeting shall be dissolved, if two members are not present.

44. (1) If the directors have elected one of their number as chairman of their meetings, he shall preside as chairman at every general meeting

(2) Where a general meeting is held and—

(a) a chairman has not been elected as provided by sub-regulation (1); or

(b) the chairman is not present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act.;

the member present shall elect one of their number to be chairman of the meeting.

45. (1) The chairman may with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(3) Except as provided by sub regulation (2), it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

46. (1) 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—

- (a) by the chairman;
- (b) by at least three members present in person or by proxy;
- (c) by a member or members present in person or by proxy and representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members holding shares in the company 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.

(2) The demand for a poll may be withdrawn.

47. (1) If a poll is duly demanded, it shall be taken in such manner and (subject to sub regulation (2) either at once or after an interval or adjournment or otherwise as the chairman directs, and the result of the poll shall be the resolution of the meeting at which the poll was demanded.

(2) A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith.

48. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, in addition to his deliberative vote (if any), shall have a casting vote.

49. (1) Subject to any rights or restrictions for the time being attached to any class or classes of shares at meetings of members or classes of members—

- (a) each—
 - (i) registered member, or registered member of that class;
 - (ii) person on whom the ownership of a share of such a registered member has evolved by operation of law;

- (iii) proxy or attorney of a person referred to in paragraph (i) or (ii), if the person is not present at the meeting; shall be entitled to vote;
 - (b) on a show of hands, each person present who is entitled to vote shall have one vote; and
 - (c) on a poll, every person present who is entitled to vote shall have votes.
50. In case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy or by attorney, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. If a member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, his committee or trustee or such other person as properly has the management of his estate may exercise any rights of the member in relation to a general meeting as is the committee, trustee or other person were the member.
52. A member shall not be entitled to vote at a general meeting unless all polls and other sums presently payable by him in respect of shares in the company have been paid.
53. (1) An objection may be raised to the qualification of a voter only at the meeting of adjourned meeting at which the vote objected to is given or tendered
- (2) Any such objection shall be referred to the chairman of the meeting, whose decision shall be final.
- (3) A vote not disallowed pursuant to such an objection shall be valid for all purposes.
54. (1) An instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing or, if the appointer is a body corporate, either under seal or under the hand of an officer or attorney duly authorized.
- (2) An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so

- (3) Provides the proxy shall not be entitled to vote in the resolution except as specified in the instrument.
- (4) An instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- (5) A proxy need not be member of the company
- (6) An instrument appointing a proxy shall be in the following form or in as similar a form as the circumstances allow.

(Name of Company)

I / we.....,
ofbeing a
member/members of the above named company,
hereby
.....of
..... or, in his absence.
..... of
..... as my/our proxy to vote
for me/us on my/our behalf at the annual/extraordinary general meeting of the
company to be held on the..... Day of and at any adjournment
of that meeting:

*in favour of/ against	resolution No.....
*in favour of/ against	resolution No.....
*in favour of/ against	resolution No.....

Unless otherwise instructed, the proxy will vote as he thinks fit.

Signed.....

Date.....

*Strike out whichever is not desired.

55. An instrument appointing a proxy shall not be treated as valid unless the instrument, and the power of attorney or other authority (if any) under which the instrument is signed or a notarially certified copy of that power or authority, is on or deposited, not less than

forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll, at the registered office of the company or at such other place in Zambia as is specified for that purpose in the notice convening the meeting.

56. A vote given in accordance with the term of an instrument of proxy or of a power of attorney shall be valid notwithstanding the previous death of unsoundness of mind of the principal, the revocation of instrument (or of the authority under which the instrument was executed) or of the transfer of the share in respect of which the instrument or power is given, unless notice in writing of the death, unsoundness of mind, revocation or transfer has been received by the company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

12—Directors

57. The company may by ordinary resolution fix a share qualification for directors, but unless and until a qualification is so fixed, there shall be no share qualification.
58. In addition to the circumstances in which the office of a director becomes vacant by virtue of the Act, the office of a director shall become vacant if the director makes any arrangement or composition with his creditors generally.

13—Borrowing Power

59. (1) Subject to sub regulation (2), the directors may exercise the powers of the company to borrow money, to charge any property or business of the company or all, or any of its uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of the company or any other person.

(2) The amount of any borrowings outstanding at any time shall not exceed the amount of issued share capital of the company at the time.

14—Proceedings of Directors

60. The provisions of section one *hundred and seven* of the Act (providing that a director who is materially interested in a contract or arrangement to be

considered at a meeting of the company or of the directors should not be counted in the quorum or vote on the matter) may be suspended or relaxed, whether generally or in respect of a particular transaction, by a resolution of the company.

61. (1) A director may, if the other directors approve, appoint a person as an alternate director in accordance with the Act.

(2) An alternate director shall be entitled to notice of meetings of the directors.

(3) An alternate director may, subject to the instrument of appointment, exercise any powers that the appointer may exercise.

62. At a meeting of directors, the quorum shall be two, or such larger number as is determined by resolution of the company.

63. In the event of a vacancy or vacancies in the office of a director or offices of directors, the remaining directors may act but, if the number of remaining directors is not sufficient to constitute a quorum at a meeting of directors, they may act only for the purpose of increasing the number of directors to a number sufficient to constitute such a quorum or of convening a general meeting of the company.

64. (1) The directors shall elect one of their number as chairman of their meetings and may determine the period for which he shall hold office.

(2) Where meeting of directors is held and –

(a) a chairman has not been elected as provided by sub regulation (1); or

(b) the chairman is not present within ten minutes after the time appointed for the holding of the meeting or is unwilling to act.;

the directors present shall elect one of their number to be a chairman of the meeting.

65. (1) The directors may delegate any of their powers to a committee or committees consisting of such of their number as they think fit.

(2) A committee to which any powers have been so delegated shall exercise the powers delegated in accordance with any directions of the directors and a power so exercised shall be deemed to have been exercised by the directors.

- (3) The members of such a committee may elect one of their number as chairman of their meetings.
- (4) Where such a meeting is held and—
 - (a) a chairman has not been elected as provided by sub regulation (3); or
 - (b) the chairman is not present within ten minutes after the time appointed for the holding of the meeting or is unwilling to act;the members present may elect one of their number to be chairman of the meeting.
- (5) A committee may meet and adjourn as it thinks proper.
- (6) Questions arising at a meeting of a committee shall be determined by a majority of votes of the members present and voting.
- (7) In the case of an equality of votes, the chairman, in addition to his deliberative vote (if any), has a casting vote.

15—Managing Director

- 66. (1) The directors may, upon such terms and conditions and with such restrictions as they think fit, appoint a Managing Director in accordance with the Act and confer upon him any of the powers exercisable by them.
- (2) Any powers so conferred may be concurrent with, or be to the exclusion of the powers of the directors.
- (2) The directors may at any time withdraw or vary any of the powers so conferred on a Managing Director.

16—Associate Directors

- 67. (1) The directors may from time to time appoint any person to be an associate director and may from time to time terminate any such appointment.
- (2) The directors may from time to time determine the power, duties and remuneration of any person so appointed.
- (3) A person so appointed shall not be required to hold any shares to qualify him for appointment but, except by the invitation and with the consent of the directors, shall not have any right to attend or vote at any meeting of directors.

17-- Secretary

68. A secretary of the company shall hold office on such terms and conditions, as to remuneration and otherwise, as the directors determine.

18--Seal

69. (1) The directors shall provide for the safe custody of the seal.
- (2) The seal shall be used only by the authority of the directors, or of a committee of the directors authorized by the directors to authorize the use of the seal, and every document to which the seal is affixed shall be signed by a director and be countersigned by another director, a secretary or another person appointed by the directors to countersign that document of a class of documents in which that document is included.

19—Inspection of Records

70. Subject to the Act, the directors shall determine whether and to what extent, and at what time and places and under what conditions, the accounting records and other documents of the company or any of them will be open to the inspection of members other than directors, and a member other than a director shall not have the right to inspect any document of the company except as provided by law or authorized by the directors or by a resolution of the company.

20—Dividends and Reserves

71. (1) The company by resolution may declare a dividend if, and only if, the directors have recommended a dividend.
- (2) A dividend shall not exceed the amount recommended by the directors.
72. The directors may authorize the payment by the company to the members of such interim dividends as appear to the directors to be justified by the profits of the company.
73. Interest shall not be payable by the company in respect of any dividend.
74. A dividend shall not be paid except out of profit of the company.
75. (1) The directors may, before recommending any dividend, set aside out of

the profits of the company such sums as they think proper as reserves, to be applied, at the discretion of the directors, for any purpose for which the profits of the company may be properly applied.

- (2) Pending any such application, the reserves may, at the discretion of the directors, be used in the business of the company or be invested in such investment as the directors think fit.
 - (3) The directors may carry forward so much of the profits remaining as they consider out not to be distributed as dividends without transferring those profits to a reserve.
76. (1) Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid.
- (2) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it will rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- (3) An amount paid or credited as paid on a share in advance of a call shall not be taken for purpose of this regulation to be paid or credited as paid on the share.
77. The directors may deduct from any dividend payable to a member all sums of money (if any) presently payable by him to the company on account of calls or otherwise in relation to shares in the company.
78. (1) If the company declares a dividend it may by resolution direct the
- directors to pay the dividend wholly or partly by the distribution of specific assets, including paid up shares in, or debentures of, any other corporation.
- (2) Where a difficulty arises in regard to such a distribution, the directors may settle the matter as they consider expedient and in particular may issue fractional certificates and fix the value for distribution of the specific assets or any part of those assets, and may determine that cash payments will be made to any member on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the directors consider expedient.

79. (1) Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque sent through the post directed to—

- (a) the registered address of the holder or, in the case of joint holders, to the registered address of the joint holder named first in the register of member; or
 - (b) to such other address as the holder or joint holders in writing directs or direct.
- (2) Any one of the two or more joint holders may give effectual receipts for any dividends, interests or other money payable in respect of the shares held by them as joint holders.

21—Capitalization of Profits

80. (1) Subject to sub regulation (2), the company may resolve—

- (a) to capitalize any sum, being the whole or a part of the amount for the time being standing to the credit of any reserve account or the profit and loss account or otherwise available for distribution to members; and
 - (b) to apply the sum, in any of the ways mentioned in sub regulation (3), for the benefit of members in the proportions to which those members would have been entitled in a distribution of that sum by way of dividend.
- (2) The company shall not pass a resolution under sub regulation (1) unless it has been recommended by the directors.
- (3) The ways in which a sum may be applied for the benefit of members under sub regulation (1) shall be--
- (a) in paying up any amounts unpaid on shares held by members;
 - (b) in paying up in full un issued share or debentures to be issued to members as fully paid; or
 - (c) partly under paragraph (a) and partly under paragraph (b).
- (4) The directors shall do all things necessary to give effect to the resolution and, in particular, to the extent necessary to adjust the rights of the members among themselves, may--
- (a) issue fractional certificates or make cash payments in cases where shares or debentures become issuable in fractions; and

- (b) authorize any person to make, on behalf of all the members entitled to any further shares or debentures upon the capitalization, an agreement with the company providing for the issue to them, credited as fully paid up, of any such further shares or debentures or for the paying up by the company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalized; and any agreement made under an authority referred to in paragraph (b) shall be effective and binding on all members concerned.

22— Winding up

81. (1) If the company is wound up, the liquidator may, with the sanction of a special resolution, divide among the members in kind the whole or any part of the property of the company and may for that purpose set such value as he considers fair upon any property to be so divided and may determine how the division is to be carried out as between the members or different classes of members.



- (2) The liquidator may, with the sanction of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no member is compelled to accept any shares or other securities in respect of which there is any liability.

23—Indemnity

82. Every officer, auditor or agent of the company shall be indemnified out of the property of the company against any liability incurred by him in his capacity as officer, auditor or agent in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in relation to any such proceedings in which relief is under the Act granted to him by the court.

We the persons, whose names and addresses are subscribed, wish to be formed into a PRIVATE COMPANY LIMITED BY SHARES in pursuance of these Articles, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBERS AND NUMBER OF SHARES

NAME	ADDRESS	NATIONALITY AND NRC/PASSPORT	NO OF SHARES	SIGNATURE
Lytone Chibona	112/18 Bishop Road, Ngombe Compound, Lusaka, Zambia	545467/10/1	7,500	
Raymond Muluti	Plot #55 Luwato Road, Roma, Lusaka, Zambia	595857/10/1	7,500	

Witness to the above signatures:

Signatures.....

Name GEORGE CHILUFYA

Address NGOMBE COMPOUND, LUSAKA