



THE COMPANIES ACT (CHAPTER 24:03)

ARTICLES OF ASSOCIATION

OF

**DRENEL DISTRIBUTORS (PRIVATE) LIMITED**

- 1 Subject as hereinafter provided, the Regulations contained in Part II of table 'A' in the first Schedule to the Companies Act, (CHAPTER 24:03), shall apply to this Company and be deemed to be adopted by and incorporated in these Articles in so far as the same are applicable to a private company and are not in any way in conflict or inconsistent with these Articles, provided that at all times the Regulations as described in these Articles shall prevail. In so far as the Regulations contained in Part I of Table 'A' are incorporated into Part II thereof, such Regulations are referred to by the number they bear in Part I of Table 'A'.
- 2 The Company is a Private Company, and accordingly:
  - (a) any invitation to the public to subscribe for any shares or debentures is prohibited;
  - (b) the number of members (exclusive of persons employed by the Company and of former employees thereof who were, while in that employment, and have continued thereafter to be members) is limited to fifty (50);
  - (c) the right to transfer shares is restricted as hereinafter prescribed
- 3 The authorised capital of the company is \$250 000.00 (two hundred and fifty thousand dollars), divided into 250 000 (two hundred and fifty thousand) Ordinary Shares of the nominal value of \$1.00 (one dollar) each.

- 4 The allotment and conditions of allotment of shares shall be under the absolute control of the Directors.
- 5 Share Certificates and Certificates of Options on shares in such form as the Directors may prescribe shall be issued, signed and numbered as required by the Companies Act.
- 6 Every member shall be entitled free to a certificate by the Company stating his shareholding and the amount paid up thereon; but the Company shall not be bound to issue more than one (1) certificate for jointly held shareholdings, which may be issued to any one of the joint subscribers.
- 7 Any lost, defaced or destroyed share certificate may be renewed on such terms as to evidence payment and indemnity as the Directors.
- 8 Entry of a member in the register as the owner of any share shall be conclusive proof of ownership thereof and the Company shall not be bound by any limitation upon such ownership expressed or implied.
- 9 The Directors shall keep a register of members and punctually enter therein the particulars required by, and to comply with, the Companies Act.
- 10 The register may, by resolution of the Directors, be closed at any time for a period not exceeding thirty (30) days, provided that the number of days in which the register is closed shall not exceed sixty (60) in any one year.
- 11
  - (a) The Company may refuse to register more than three (3) joint holders of any share.
  - (b) Joint holders of any share shall be liable jointly and severally for all payments thereon.
  - (c) The Company may recognise the survivor or survivors of any joint shareholder as the only holder or holders thereof.
  - (d) Any joint holder may receive and discharge any sum payable to such joint holders.
  - (e) Only the joint holder whose name stands first in the register shall be entitled to receive notices from the company or to attend or vote at general meetings.
  - (f) Several legal representatives of a member shall be deemed to be Joint holders of his shares.
- 12
  - (a) The Directors may issue shares subject to a difference between classes of shareholders in the time and amount of calls to be paid thereon and, if the whole amount unpaid on any shares be paid, issue them as fully paid up; and may pay dividends in proportion to the amounts paid up on each share.
  - (b) The Company may subject to the provisions of Section 75 of the Companies Act issue at a discount, shares of a class already issued.
- 13 The Directors may, on fourteen (14) days' notice in writing, from time to time make calls upon members in respect of any monies unpaid on their shares. Every call shall be paid to the Company by the registered owner on or before the date of the call, at the time and place specified therein. The date of every call shall be deemed to be the date not exceeding one month from the effect date authorised by the Directors when passing the Directors' resolution authorising it.
- 14 Amounts called and not paid on due date shall bear interest at the base lending rates set by the Reserve Bank of Zimbabwe accrued to the date of payment, but the Directors may waive such interest or reduce the rate thereof and may



revoke or extend the time for payment of a call. No member who is in arrears with any call shall be entitled to vote.

- 15 The Directors may accept from any member any monies uncalled or unpaid upon his shares at any time prior to the due date of a call.
- 16 Should a call not be paid by or on due date, the Directors may declare the share on which it was made to be forfeited, whereupon the Directors may deal with and transfer it in any manner and to any such person they think fit (including the rescission of such forfeiture).
- 17 A forfeiture declaration shall terminate all the registered owner's rights in the shares involved, but that owner shall remain liable for any amounts due by him to the Company at the date of termination until the Company receives payment in full of the nominal amount of the shares.
- 18 A written declaration by a Director of the Company has been forfeited on a stated date shall be conclusive proof of the facts therein stated date shall be conclusive proof of the facts therein stated as against all persons claiming rights in or to the share.
- 19 The consideration, if any, payable for the share on any dealings therewith, under Article 16, shall accrue and be paid to the Company and the person to whom such share is transferred shall be registered as the holder thereof. His title shall not be affected by any irregularity or invalidity in the proceedings.
- 20 The foregoing forfeiture provisions shall apply to the non-payment of any sum, which may have become due to the Company on any share in any other way as if it had become due under a call.
- 21 The Company shall have a lien (which, however, the Directors may waive) on every share, and the dividends thereon, for all monies due or falling due to the Company under call thereon, and on all shares and the dividends thereon held by any person singly or jointly for all monies due by him to the Company.
- 22 The Company may sell any shares on which the Company has a lien, and on which monies are actually due to it, but only after the expiry of ten (10) days' written notice to the owner demanding payment of the amount due, and may authorise any person to transfer to the buyer any shares so sold. The buyer shall be registered as the owner of such shares, and title thereto shall not be affected by any irregularity or invalidity in such sale. The proceeds of such sale shall be paid to the Company and applied in payment of the amount then due under such lien. The balance may be held by the Company until sums not presently payable, but covered by such lien, become due and then applied in payment thereof; and only thereafter shall the balance be paid to the owner as at the date of sale of the sale.
- 23
  - (a) Any member of the Executor, Administrator or Trustee of any member may at any time transfer any such member's shares to his or her wife, husband, parent, child, brother or sister or son or daughter-in-law, or nephew or niece, or to the Trustees for the benefit of such person, and shares held by Trustees may be transferred on any change of Trustees.
  - (b) Except when the transfer is made under the preceding sub-clause, every member intending to transfer any of his shares (hereinafter called "the Vendor") shall give written notice of such intention to the Board. Such notice shall constitute the Board his agent for the sale of the said shares, in one or more lots at the discretion of the Board, to the members at a price to be agreed upon by the Vendor and the Board, or in default of agreement, at a price to be settled by summary arbitration under the Arbitration Act as being the fair selling value thereof as between a willing vendor and a willing purchaser.
  - (c) Upon the price being fixed as aforesaid, the Board shall forthwith give notice to all members (other than the Vendor) stating the number and the

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\$50 000

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THE COMPANIES ACT  
(CHAPTER 24:03)

MEMORANDUM OF ASSOCIATION  
OF  
DRENEL DISTRIBUTORS (PRIVATE) LIMITED

1. The name of the Company is **DRENEL DISTRIBUTORS (PRIVATE) LIMITED**.
2. The objects for which the Company is established are:-
  - a. To establish and operate the business as wholesalers, warehousemen and distributors of motor vehicle spares, tools, hardware; to be suppliers of electrical and industrial goods; to carry on the trade as importers, exporters and general dealers of all goods of any description whatsoever, and to act as agents or brokers and trustees for any person or company; to undertake and perform subcontracts, and to engage in all or any activities usually related therewith.





such persons or organisations and on such terms and conditions as may seem expedient, and including to persons or organisations having dealings with this company and to guarantee the performance of contracts and obligations by any such persons or organisations and to charge, pledge or pass bond over any of the assets of the company in connection therewith.

- l. To carry on business as motor garage, filling station proprietors and operators, to buy, sell and deal in petrol, diesel, gas, fuels, oils and other petroleum products, tyres, tubes, components and all types of accessories and spare parts thereof; and as car-dealers, car-breakers, instrument fitters, metal workers, spray-painters and tool makers, and to provide facilities for the safekeeping, car-washing, storage, cleaning, repairing, breaking, refuelling and general maintenance and care of motor vehicles.
- m. To operate a bureau de change, or money transfer agent, subject to the limitations of the relevant legal requirements.
- n. To carry on or undertake the trade or business of debt collectors, private investigators and traders; to carry on the trade or business as a security organisation, to supply cash-in-transit services, to train and to hire out security personnel, together with all the business activities which in the opinion of the directors furthers the aim of this object.
- o. To install, service, and repair all types of equipment, whether electrical, electronic or mechanical, such as stoves, starters, generators, refrigerators, fans and air conditioners; to repair industrial and farming equipment, water pumps, hydraulic pumps, drilling equipment, bicycles, windmills; to engage in civil or electrical engineering and to carry on any or all of the business activities usually related with general jobbing.
- p. To operate a bottle store or liquor outlet; to act as distributors or agents of breweries; to brew and market any kind of intoxicating liquor or any product related to the liquor and beer industry.
- q. To operate bank accounts and savings or deposit accounts of any kind.
- r. To operate the business as importers and/or exporters of any kind of merchandise and to engage in any activities usually related therewith.
- s. To acquire and undertake the whole or any part of the business good will and assets of any person, firm or company carrying on or promising to carry on any of the businesses which this company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into any arrangements for sharing profits or for co-operation or for limiting competition or for mutual assistance of partnership with any such person, firm or company, and to give or accept by way of consideration or any of the acts or things aforesaid, or property acquired, any shares, debentures or securities that may be agreed upon, and to hold and retain or sell, mortgage and deal with any shares, debentures or securities so received.
- t. To operate the business of steel and metal work, welding and soldering in all their respects; to buy and sell, and to import and export any merchandise related to the welding and soldering and metal industry.
- u. To operate the business as customs clearing and freight-forwarding agents.
- v. To invest capital in various projects and to deal with any moneys of the Company not immediately required for carrying on the business of the Company upon such securities and in such manner, and to realise, vary, re-invest or otherwise deal with such securities or investment from time to time as the Directors may decide.
- w. To borrow money for any of the objects or for any purpose of the Company, and secure the repayment of such money on the security of any part of the movable



such persons or organisations and on such terms and conditions as may seem expedient, and including to persons or organisations having dealings with this company and to guarantee the performance of contracts and obligations by any such persons or organisations and to charge, pledge or pass bond over any of the assets of the company in connection therewith.

- l. To carry on business as motor garage, filling station proprietors and operators, to buy, sell and deal in petrol, diesel, gas, fuels, oils and other petroleum products, tyres, tubes, components and all types of accessories and spare parts thereof; and as car-dealers, car-breakers, instrument fitters, metal workers, spray-painters and tool makers, and to provide facilities for the safekeeping, car-washing, storage, cleaning, repairing, breaking, refuelling and general maintenance and care of motor vehicles.
- m. To operate a bureau de change, or money transfer agent, subject to the limitations of the relevant legal requirements.
- n. To carry on or undertake the trade or business of debt collectors, private investigators and traders; to carry on the trade or business as a security organisation, to supply cash-in-transit services, to train and to hire out security personnel, together with all the business activities which in the opinion of the directors furthers the aim of this object.
- o. To install, service, and repair all types of equipment, whether electrical, electronic or mechanical, such as stoves, starters, generators, refrigerators, fans and air conditioners; to repair industrial and farming equipment, water pumps, hydraulic pumps, drilling equipment, bicycles, windmills; to engage in civil or electrical engineering and to carry on any or all of the business activities usually related with general jobbing.
- p. To operate a bottle store or liquor outlet; to act as distributors or agents of breweries; to brew and market any kind of intoxicating liquor or any product related to the liquor and beer industry.
- q. To operate bank accounts and savings or deposit accounts of any kind.
- r. To operate the business as importers and/or exporters of any kind of merchandise and to engage in any activities usually related therewith.
- s. To acquire and undertake the whole or any part of the business good will and assets of any person, firm or company carrying on or promising to carry on any of the businesses which this company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into any arrangements for sharing profits or for co-operation or for limiting competition or for mutual assistance of partnership with any such person, firm or company, and to give or accept by way of consideration or any of the acts or things aforesaid, or property acquired, any shares, debentures or securities that may be agreed upon, and to hold and retain or sell, mortgage and deal with any shares, debentures or securities so received.
- t. To operate the business of steel and metal work, welding and soldering in all their respects; to buy and sell, and to import and export any merchandise related to the welding and soldering and metal industry.
- u. To operate the business as customs clearing and freight-forwarding agents.
- v. To invest capital in various projects and to deal with any moneys of the Company not immediately required for carrying on the business of the Company upon such securities and in such manner, and to realise, vary, re-invest or otherwise deal with such securities or investment from time to time as the Directors may decide.
- w. To borrow money for any of the objects or for any purpose of the Company, and secure the repayment of such money on the security of any part of the movable