

THE COMPANIES ACT (~~CHAPTER 486~~NO. 17 OF 2015)

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

STANDARD CHARTERED BANK KENYA LIMITED

HAMILTON HARRISON & MATHEWS
ADVOCATES
ICEA BUILDING
KENYATTA AVENUE
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17/S0340/150

FURTHER AMENDED VERSION (2019) DRAWN BY:-

**MBOYA WANGONG'U & WAIYAKI
ADVOCATES
LEX CHAMBERS
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mboya wangong'u & waiyaki

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

STANDARD CHARTERED BANK KENYA LIMITED

(As amended by Special Resolutions dated 24th November and 30th December, 1986)

(As amended and reprinted by Special Resolution dated 23 May 2019)

1. The name of the Company is “STANDARD CHARTERED BANK KENYA LIMITED”.
2. The Registered Office of the Company will be situate in Kenya.
3. The objects for which the Company is established are:-
 - (a) To carry on the business of banking in all its branches and departments, including the borrowing, raising, or taking up of money; the accepting of deposits of money on current account or otherwise subject to withdrawal by cheque, draft or order; the lending or advancing of money unsecured or on securities and property; the discounting, buying, selling, and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, scrip, and other instruments and securities, whether transferable, negotiable or not; the granting and issuing of letters of credit and circular notes; the buying, selling and dealing in bullion, currencies and specie; the acquiring, holding, issuing on commission, underwriting, and dealing ~~with~~with stocks, funds, shares, debentures, debenture-stock, bonds, obligations, securities and investments of all kinds; the negotiating and granting of loans, guarantees and indemnities of all descriptions, performance bonds, surety bonds and advances; the receiving of money and valuables on deposit, or for safe custody, or otherwise; the collecting and transmitting of money and securities; the managing of property; and the transacting of all kinds of business which from time to time can be lawfully transacted by bankers.
 - (b) To purchase, acquire, undertake, and continue the whole or any part of the business connection, property, assets and liabilities of any person, partnership, or company

carrying on any banking or discount business, and in particular the Kenya business of STANDARD CHARTERED BANK AFRICA PLC.

- (c) To issue circular notes, bills, drafts and other instruments and securities, whether to bearer or otherwise, and whether providing for the payment of money, or the delivery of bullion, or otherwise, and to make the same or any of them assignable free from equities.
- (d) To carry on the businesses of obtaining, receiving and holding money in any deposit or current account or in any manner whatsoever and whether at interest or otherwise, and utilising the same to account in any manner thought fit, and the issuing of cheques or any other means of any description whatsoever to provide facilities for the withdrawal or transfer thereof.
- (e) To carry on the business of merchant banking, including carrying out merchanting transactions, raising capital, advising on and managing takeover bids and mergers; and generally to transact all kinds of business commonly carried on by discount houses, accepting houses, merchant banks or financiers.
- (f) To finance or assist in financing the sale of goods, articles or commodities of all and every kind or description by way of hire purchase or deferred payment, or similar transactions and to institute, enter into, carry on, subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to acquire on discount hire purchase or other agreement of any rights thereunder (whether proprietary or contractual) and generally to carry on business and to act as bankers, financiers, and commission agents.
- (g) To participate in or assist with, whether directly or indirectly, and whether by grant of long term credits or loans or otherwise to companies, firms and persons, any schemes of development or reconstruction in any area in Kenya or elsewhere, by providing credit, making loans available, buying, selling, letting on hire, hire purchase or easy payment systems, or by providing financial assistance to such companies, firms or persons as may be necessary or expedient to promote or further any scientific, agricultural, mineral, commercial or industrial development or research or some other public or useful object or towards the promotion or

furtherance of any two or more or any combination of such objects as aforesaid on such terms and in such manner as may be desirable or expedient.

- (h) To promote, effect, insure, guarantee, underwrite, participate in, manage and carry out any issue, public or private, of state, municipal or other loans, or of shares, stock, debentures or debenture stock of any company, corporation or association, and to lend money for the purposes of any such issue.
- (i) To promote, incorporate and manage Unit Trusts of every kind in Kenya and elsewhere, whether alone or together with others.
- (j) To enter into any arrangements with any governments or authorities, supreme, municipal, local, or otherwise that may seem conducive to the Company's objects, or any of them, and to obtain from any such government or authority any rights privileges, and concessions which the Company may think desirable to obtain and to carry out, exercise, and comply with any such arrangements, rights, privileges and de concessions.
- (k) To enter into partnership, or into any arrangement for sharing profits, amalgamation, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise, with any person, partnership or company where such arrangements seem directly or indirectly conducive to any of the Company's objects.
- (l) To obtain any provisional order, Act of Parliament, or local law which may seem conducive to any of the Company's objects and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (m) To effect and obtain, or to give, all such guarantees and indemnities or counter guarantees and counter indemnities that may seem expedient, and to transact all kinds of agency business.
- (n) To guarantee the obligations and contracts of customers or others, to act as surety for any person or company whether a customer or not, and to enter into contracts of indemnity at the request of any person, whether a customer or not.

- (o) To act as Trustees of Wills or Settlements, and to act as Trustees of deeds or documents securing debentures, debenture stock or other issues of joint stock or other companies or other evidences of indebtedness issued by any Government, authority, corporation or body, to act as Trustee for charitable and other institutions and to act as executor or administrator of the estate of any deceased person, or as the representative of such executor, and for that purpose to enter into necessary bonds as principal or surety in connection therewith, and to act as an ordinary custodian, or judicial trustee, liquidator, administrator, or assignee of the estate of bankrupt or insolvent persons or companies, and the holder of any other office of trust or confidence, either solely or in conjunction with other persons or companies.
- (p) To undertake the office of receiver, treasurer or auditor, and to keep for any company, government, authority, or body any register relating to any stocks, funds, shares or securities, and to undertake any duties in relation to the registration of transfers, the issue of certificates, or otherwise.
- (q) To act as directors or managers of or to appoint directors or managers of, any company which is a subsidiary of the Company, or of any other company in which the Company is or may be interested.
- (r) To take part in the management, supervision and control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any directors, trustees, accountants or other experts or agents.
- (s) To undertake, execute and carry on, whether alone or in conjunction with others, the office of liquidator, receiver or receiver and manager, and to act as nominee for any person, firm or company in any transaction whatsoever.
- (t) To take, or concur in taking, all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company, and to obtain and justify public confidence, and to avert or minimise financial disturbances which might detrimentally affect the Company.
- (u) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the Company, or for any other purpose which may

seem directly or indirectly calculated to benefit the Company, to take or acquire shares and securities of any such company, and to sell, hold, re-issue, or otherwise deal with the same.

- (v) To subscribe for, underwrite, purchase, or otherwise acquire, and to hold, dispose of, and deal with the shares, stock, securities and evidences of indebtedness or of the right to participate in profits or assets or other similar documents issued by any government, authority, corporation or body, or by any company or body of persons, and generally investments of every kind, however constituted and wherever issued, and any options or rights in respect thereof, and to buy, hold and sell foreign exchange, currency, bullion and specie.
- (w) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, and any rights or privileges which the Company may think necessary or convenient with reference to any of these objects, or the acquisition of which may seem calculated to facilitate the realization of any securities held by the Company, or to prevent or diminish any apprehended loss or liability.
- (x) To sell, let, lease, grant licences, easements and other rights over and in any other manner dispose of or deal with the whole or any part of the undertaking, property, assets, rights, effects and businesses of the Company for such consideration as may be thought fit and, in particular, for a rent or rents or stocks, shares, debentures, debenture stock or other obligations of any other company.
- (y) To borrow, raise and secure the payment of money in such manner and upon such terms as the Company shall think fit, and for that purpose or for any other purpose to grant, create, issue, make and give any mortgages or charges or any debentures or debenture stock, perpetual or otherwise, charged or not charged upon the undertaking or all or any of the property and assets of the Company both present and future, including its unpaid capital for the time being whether the same shall have been called up or not, and to purchase, redeem or pay off any such securities.
- (z) For any purpose and in any manner and from time to time to mortgage or charge the whole or any part of the undertaking, property and rights (including property and rights to be subsequently acquired) of the Company, and any money uncalled on any shares of the capital, original or increased, of the Company and whether at

the time issued or created or not, and to create, issue, make and give debentures, debenture-stock, bonds or other obligations, perpetual or otherwise, with or without any mortgage or charge on all or any part of such undertaking, property, rights and uncalled money.

- (aa) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit and to grant pensions and allowances to Directors or ex-Directors and any persons who are or have been at any time employed by or in the service of the Company or of any subsidiary, allied or associated company or of the predecessors in business of any such company or the dependants or connections of such persons and to make payments towards insurance for the purposes aforesaid and to subscribe or guarantee money for any charitable or benevolent object or for an exhibition or for any public, general or useful object.
- (bb) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company
- (cc) To do all other things which the Company may from time to time deem to be incidental or conducive to the effecting of any of its objects
- (dd) To do all or any of the above things in any part of the world, and as principals, agents, contractors, trustees, or otherwise, and either alone or in conjunction with others.

AND it is hereby expressly declared that the word “company” in this Clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated, and whether domiciled in Kenya or elsewhere, and, the intention is that the objects specified in each sub-clause of this Clause shall, except where otherwise expressed in such sub-clause, be in no wise limited by reference to or inference from terms of any other sub-clause or the name of the Company.

- 4. The liability of the Members is limited.
- 5. The Share Capital of the Company is Kenya Shillings One Billion, Nine Hundred and Ninety Seven Million, Five Hundred and Fifty Two Thousand, Eight Hundred and Sixty (KShs 1,997,552,860) divided into Three Hundred and Forty Three Million, Five Hundred

and Ten Thousand, and Five Hundred and Seventy Two (343,510,572) Ordinary Shares of Kenya Shillings Five (KShs 5.00) each and Fifty Six Million Preference Shares (56,000,000) of Kenya Shillings Five (KShs 5.00) each.¹

¹Amended by special resolution passed on 26 May 2016.

WE, the several persons whose names, addresses and occupations are subscribed are desirous of being formed into a Company in pursuance of this Memorandum Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Postal Address and Occupations of Subscribers	Shares taken by Number of each Subscriber	Signatures of Subscribers
ANGUS ALEXANDER LAWRIE P.O. Box 30003, Nairobi Company Director	One	A.A. Lawrie
NORMAN WILLIAM SMITH P.O. Box 30003, Nairobi Bank Manager	One	N.W. Smith

DATED the 29th day of August, 1963.

WITNESS to the above Signatures:

MICHAEL W. HARLEY
 P.O. Box 30333, Nairobi
 Advocate

Drawn and revised by:

Certified this document is produced by the process of Xerography

MICHAEL LEWIS SOMEN
 Hamilton Harrison & Mathews
 Advocates

ICEA Building
Kenyatta Avenue
NAIROBI.

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

STANDARD CHARTERED BANK KENYA LIMITED

(Adopted by Special Resolution dated 6th October, 1989 to replace the previous Articles of the Company Nominal Share Capital increased and subdivided by Ordinary Resolutions dated 6th October 1989)

(As amended and reprinted by Special Resolution dated 23 May 2019)

PRELIMINARY

1. In these Articles, unless the context otherwise requires, expression defined in the Companies Act ([Cap.486No.17 of 2015](#)) or any statutory modification thereof in force at the date at which these Articles become binding on the Company, shall have the meanings so defined and the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column

Words

Meanings

Address

A physical, postal or electronic address or a number used for the purposes of sending or receiving documents or information by facsimile.

Accounting

Reference Date

31st December.

Delivery

Physical and/or electronic delivery;

The Act

The Companies Act ([Cap.486No. 17 of 2015](#)) as amended or re-enacted from time to time.

The Statutes	The Act, and every statutory modification thereof for the time being in force and every other act for the time being in force affecting the Company.
These Articles	These Articles of Association as now framed or as from time to time altered by special resolution <u>in accordance with the Statutes.</u>
The Office	The Registered Office for the time being of the Company.
The Seal	The Common Seal of the Company.
The Directors	The Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present.
Member	Member of the Company
The Register	The Register of Members of the Company whether physical or electronic;
Paid Up	Paid up or credited as paid up.
Dividend	Dividend or bonus
Year	Year from the 1 st January to the 31 st December inclusive
Month	Calendar month.
In writing	Written or produced by any substitute for writing including by electronic and other means, or partly written and partly produced.

Words importing a singular number only shall include its plural and vice versa, and words importing the masculine gender only shall include the feminine genders, and words importing persons shall include corporations, and the expression “debenture” and “debenture holder” shall include debenture stock and debenture stockholder and the expression “Secretary” shall include a temporary or assistant Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.

Reference herein to any provisions of the Act shall, where the context so admits, be construed as a reference to such provision as modified by any statute for the time being in force.

2. The model articles prescribed in the Third Schedule to the Companies (General) Regulations, 2015, are hereby excluded in their entirety and ~~Regulations in Table “A” in the First Schedule to the Companies Act (Cap.486)~~ shall not apply to the Company.

PUBLIC COMPANY

3. The Company is a public company and save as hereinafter set out there shall be no restriction on the right to transfer its shares nor any limitation on the number of its Members.

UNDERWRITING

4. The Company may exercise the powers of paying commissions conferred by the Statutes; provided that the commission paid or agreed to be paid shall not exceed ten per cent (10%) of the price at which the shares in respect of which the commission is paid are issued and shall be disclosed in the manner require by the Statutes. 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 another. The Company may also on any issue of shares pay such brokerage fees as may be lawful.

SHARE CAPITAL

5. The Share Capital of the Company is Kenya Shillings One Billion, Nine Hundred and Ninety Seven Million, Five Hundred and Fifty Two Thousand, Eight Hundred and Sixty (KShs 1,997,552,860) divided into Three Hundred and Forty Three Million, Five Hundred and Ten Thousand, and Five Hundred and Seventy Two (343,510,572) Ordinary Shares of Kenya Shillings Five (KShs 5.00) each and Fifty Six Million Preference Shares (56,000,000) of Kenya Shillings Five (KShs 5.00) each.

SHARES

6. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) an equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or as otherwise provided by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
7. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.
8. The Company may by special resolution create and sanction the issue of Preference shares which are, or at the option of the Company are to be, liable to be redeemed, subject to and in

accordance with the provisions of ~~of~~ the Statutes. The special resolution sanctioning any such issue shall also ~~vary~~ specify by way of an addition to these Articles the terms on which and the manner in which any such Preference shares shall be redeemed. Subject to the Act and to these Articles, the Company may cancel any shares so redeemed or may hold them as treasury shares in accordance with the Act.

9. 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 Fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Articles relating to general meetings (including the manner of attending such meetings) shall mutatis mutandis apply, but so that the necessary quorum shall be two persons holding at least, or representing by proxy, one-third of the issued shares of the class and that any holder of shares in that class present in person or by proxy may demand a poll and if at an adjourned meeting of such holders a quorum is not present, the holders present shall form a quorum.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided in the terms of issue of the shares of that class, be deemed to be varied by creation or issue of further shares ranking pari passu therewith.

CERTIFICATES

11. Every person whose name is entered as a member in the Register shall be entitled without payment to receive (except where such shares are to be issued in an immobilized or dematerialized form as such terms are defined under the Central Depositories Act, 2000 or its reenactment or modification) within two months of allotment or lodging of share transfers (or within such other period as the conditions of issue shall provide) one certificate in respect of each class of shares held by him or, upon payment of such sum (if any) not exceeding Kenya Shillings 10/- for every certificate after the first as the Directors shall from time to time determine, to several certificates, each for one or more of his shares, except that shares of different classes may not be included within the same certificate.
Every certificate shall be under the Seal, may bear electronic signatures of a Director and the Secretary, and shall specify the shares to which it relates and the amount paid up thereon:
PROVIDED that in respect of a share or shares jointly held by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

12. Where a Member has sold some of the shares registered in his name, he shall be entitled to a certificate for the balance without charge.
13. If a share certificate is worn out, defaced, lost, or destroyed it may be renewed on payment of such fee, if any, not exceeding Kenya Shillings 10/- and on such terms, if any, as to evidence and indemnity as the Directors think fit.

PURCHASE OF OWN SHARES

14. No part of the funds of the Company shall be employed in the purchase of, or in loans upon the security of, the Company's shares, but nothing in this Article shall prohibit transactions permitted under the Statutes. Subject to and in accordance with the provisions of the Act and the Statutes and without prejudice to any relevant special rights attached to any class of shares of the Company, the Company may purchase any of its own shares of any class at any price (whether at par or above par). Any shares so purchased may be cancelled or held by the Company as treasury shares in accordance with the Act.
15. Except as otherwise permitted under the Act, no funds of the Company shall be employed in giving financial assistance (directly or indirectly) for the purpose of purchase or other acquisition of shares in the Company. For purposes of this Article 15, the phrase "financial assistance" shall have the meaning assigned to it under the Act.

LIEN ON SHARES

- 14.16. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares (not being fully paid shares) standing registered in the name of any person for all moneys presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or partially exempt from the provisions of this article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
- 15.17. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, or until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is

presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of the registered holder's death or bankruptcy.

~~16.~~18. To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

~~17.~~19. The proceeds of the sale shall be received by the Company and applied 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 a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

~~18.~~20. The Directors may from time to time make calls upon the Members in respect of any monies unpaid on their shares, and each member shall (subject to receiving at least Fourteen days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on his shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

~~19.~~21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

~~20.~~22. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of Twelve per cent (12%) per annum from the day appointed for the payment thereof to the time of the actual payment, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

~~21.~~23. The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

~~22.24.~~ The Directors may ~~not~~, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

~~23.25.~~ The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) nine per cent (9%) per annum, as may be agreed upon between the Directors and the member paying such sum in advance.

TRANSFER OF SHARES

~~24.26.~~ Subject to the provisions hereinafter contained and any trading and settlement rules of any stock exchange on which the shares of the Company are traded or of any settlement and clearing house at which the Shares of the Company are cleared and settled, Shares-shares in the Company shall be transferable by written instrument in any common form executed by or on behalf of the transferor and the transferee; provided that the Directors may dispense with execution by the transferee in any case in which they think fit to do so, and will do so to the extent that any shares sought to be registered are traded on any recognized stock exchange. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Provided that:-

- (a) The Provisions of the Central Depositories Act 2000 as amended or modified from time to time shall apply to the Company to the extent that any securities of the Company are in part or in whole immobilised or dematerialised or are required by the regulations or rules issued under the Central Depositories Act 2000 to be immobilised or dematerialised in part or in whole, as the case may be. Any provisions of these Articles that are inconsistent with the Central Depositories Act 2000 or any regulations or rules issued or made pursuant thereto shall be deemed to be modified to the extent of such inconsistencies in their application to such securities. For the purposes of these Articles of Association, immobilisation and dematerialisation shall be construed in the same way as construed in the Central Depositories Act 2000.
- (b) Where any securities of the Company are forfeited pursuant to these Articles of Association after being immobilised or dematerialised, the Company shall be entitled to transfer such securities to a securities account designated by the Directors for this purpose.

25.27. The Directors may refuse to register any instrument of transfer of shares (where applicable and subject to Article 26 and the rules of any recognized securities exchange at which the shares are traded), if:-

- (a) the registration fee of Kenya Shillings 5100/- (or such lesser fee (if any) as the Directors may from time to time prescribe as the registration fee) is not paid to the Company in respect thereof; or
- (b) it is not accompanied by the Certificate for the shares to which it relates, and such other evidence as the Directors may reasonably require to show the rights of the transferor to make the transfer including such consents, if any, as may be necessary under the Statutes Act, the Exchange Control Act (Cap.113) or otherwise to enable the transferee to be entered in the Register; or
- (c) it is of shares of more than one class; or
- (d) the transferee named therein is:
 - (i) an infant person; or
 - (ii) a person incapable by reason of mental disorder of managing and administering his property and affairs; or
 - (iii) a partnership, other than a partnership which is a body corporate with legal personability under the Statutes, in its partnership name; or
- (e) in the case of a transfer to joint holders, they exceed four in number.

26.28. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

27.29. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine provided always that such registration shall not be suspended for more than thirty days in any year.

28.30. The Company shall be entitled to charge a fee not exceeding Kenya Shillings 5100/- on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument.

TRANSMISSION OF SHARES

29.31. In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares;

but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which has been jointly held by him with other persons.

~~30.~~32. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

~~31.~~33. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

~~32.~~34. 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, and 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.

~~33.~~35. If the requirements of any such notice as aforesaid 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.

~~34.~~36. A forfeited 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 canceled on such terms as the Directors think fit.

~~35.~~37. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares,

but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

~~36.~~38. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute or authorise any person to execute a transfer of the share in favour of the person to whom the share is sold or disposed of and the transferee named therein shall thereupon be registered as the holder of the share, and he shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

~~37.~~39. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

~~CONVERSION OF SHARES INTO STOCK~~

~~38. The Company may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.~~

~~39. The holders of stock may transfer the same, or any part thereof, in the same manner as, and subject to the same regulations under which the shares from which the stock arose might have been transferred, or as near thereto as circumstances admit; and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.~~

~~40. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.~~

~~41. All the provisions of these Articles applicable to fully paid up shares shall apply to stock, and the words “Share”, “Shareholder” and “Member” shall be construed accordingly.~~

ALTERATION OF CAPITAL

~~42.40.~~ The Company may, from time to time by ordinary resolution, increase the share capital by such sum as the resolution shall direct, to be divided into shares of such amount as the resolution shall direct, or, in default of such direction, as the Directors shall determine. In addition, the Company’s directors may increase the share capital of the Company by allotting new shares in accordance with the Act.

~~43.41.~~ Subject to the provisions of these Articles, the unissued and any new shares in the capital of the Company shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Directors may determine.

~~44.42.~~ Any new shares may be offered at par, at a premium or (subject to the provisions of the Act) at a discount as the Directors may decide.

~~45.43.~~ The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

~~46.44.~~ The Company may, by ordinary resolution:

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act;
- (c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any persons;

And may, by special resolution:

- (d) Reduce its share capital, any capital redemption reserve fund and any share premium account in any manner and with and subject to any incidental consent authorised and required by law.

GENERAL MEETINGS

~~45.~~ The Company 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 matter as such in the notices calling it. The annual general meeting for each year shall be held within six months from and including the day following the Accounting Reference Date. ~~Not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.~~

~~47.~~46. Annual and extraordinary general meetings shall be held at such times and places within Kenya as the Directors shall from time to time appoint.

~~48.~~47. All general meetings other than annual general meetings shall be called extraordinary general meetings.

~~49.~~48. The Directors may, whenever they think fit, convene an extraordinary general meeting, and they shall do so upon a requisition in writing deposited and completed in accordance with the Statutes PROVIDED THAT no requisition by a shareholder for a meeting of the Company shall be by electronic means.

NOTICE OF GENERAL MEETINGS

~~50.~~49. A general meeting shall be called by twenty-one days' notice in writing. To the extent permissible by law, the Company may serve any notice to be given to members by publishing such notice in two daily newspapers with nation-wide circulation; or by sending such notice through the post addressed to such member at their registered postal address; or by facsimile transmission to such member at their registered facsimile address; or by electronic mail or by other electronic means not prohibited by law including the publication thereof on the website of the Company. The notice shall specify the place, the day and the hour of meeting, the physical, postal or electronic addresses to which communications may be relayed, and, in case of special business, the general nature of that business shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are under the regulations of the Company, entitled to receive such notices from the Company.

Provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called or proposed to be called as the annual general meeting, by all the Members ~~present and~~ entitled to attend and vote thereat; and

~~(a)~~(b) 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 ~~seventyninety~~ five per cent (~~7595~~%) in nominal value of the shares giving that right.

~~51.50.~~ In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote in his stead and that a proxy need not be a Member.

~~52.51.~~ 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 that meeting.

PROCEEDINGS AT GENERAL MEETINGS

~~53.52.~~ All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and Auditors, [appointment of members of the Company's board audit committee](#), [receipt of directors' remuneration report](#), the election of Directors in the place of those retiring, if any, and the appointment and the fixing of the remuneration of the Auditors.

~~54.53.~~ 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; save as is herein otherwise provided, Ten Members present in person by representative or by proxy shall be a quorum.

~~55.54.~~ If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; and in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present in person, by representative or by proxy shall be a quorum.

~~56.55.~~ The Chairman, if any, of the Board of Directors (or in his absence the Deputy-Chairman, if any) shall preside as Chairman at every general meeting of the Company.

~~57.56.~~ If there is no such Chairman (or Deputy-Chairman) or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act

as Chairman, the Directors present shall choose someone of their number to be Chairman. If no Director is willing to act as Chairman or no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their number to be Chairman of the meeting.

~~58.~~57. 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. 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. 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.

~~59.~~58. 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; or
- (b) by at least ~~Three~~ Five Members present in person or by proxy and having the right to vote on the resolution-;
- (c) by any 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;
- ~~(b)~~(d) by a member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate amount has been paid up equal to not less than ten per cent of the total amount paid up on all the shares conferring that right.

Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

~~60.~~59. Except as provided in Article ~~63~~61, 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.

~~61-60.~~ 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, shall not be entitled to a second or casting vote and the motion shall be deemed not to have passed.

61. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll. The results of a poll may be made public on the Company's official website or other electronic means.

62. On a poll, votes may be given personally or by proxy or attorney or by a representative of a corporation appointed in accordance with these Articles.

VOTES OF MEMBERS

63. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present ~~in~~ in person and every person present as proxy, representative or attorney of a Member shall have one vote, and on a poll every Member present in person or by proxy, representative or attorney shall have one vote for each share of which he is the holder.

64. 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 vote of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register.

65. A Member incapable by reason of mental disorder of managing and administering his property and affairs may vote, whether on a show of hands or on a poll, by his receiver, or other person authorised by any court of competent jurisdiction to act on his behalf, and such person may on a poll vote by proxy.

66. ²No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

67. 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 given or tendered, and every vote not disallowed at

such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

PROXY

68. Every Member entitled to attend and vote at a general meeting may appoint a proxy -to attend, speak, ask questions and vote in relation to items on the agenda, subject to these Articles and the Act. A proxy need not be a member of the Company.

~~67.69.~~ On a poll votes may be given either personally or by proxy.

~~68.70.~~ The instrument appointing a proxy shall be in writing under the hand of the appointor 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 authorized, and such instrument shall be delivered either physically or electronically in such manner as the Company may approve, provided that such delivery is considered secure under Kenyan law and is sent to the designated address.

~~69.71.~~ The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or notarially certified copy of the power or authority shall be deposited, delivered or received at the Office or at such other place within Kenya or at the electronic address as is specified for that purpose in the notice convening the meeting, 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, and in default the instrument of proxy shall not be treated as valid.

~~70.72.~~ An instrument appointing a proxy shall be in the following form, or in any other form of which the Directors shall approve:

STANDARD CHARTERED BANK KENYA LIMITED

I, _____, of _____,
being a Member of the above-named Company,
hereby appoint _____ of _____
as my proxy to vote for me on my behalf at the Annual (or Extraordinary, as the case may be) General Meeting of the Company to be held on the _____ day of 20____, and at any adjournment thereof.

As witness my hand this day of 20

This Form is to be used *in favour of the resolution,

*against

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

*strike out whichever is not desired.

~~71.~~73. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

~~72.~~74. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or incapacity of the principal, revocation of the proxy, of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, incapacity, revocation or transfer as aforesaid shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS

~~73.~~75. Any corporation which is a Member of the Company may, by resolution of its Directors or other governing body, appoint such persons as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company. The production at a meeting of a copy (whether physical or electronic) of a resolution certified by a director (other than the appointee if he himself shall be a director) and the secretary (or their equivalents) of such corporation to be a true copy of the resolution, shall be accepted by the Company as sufficient evidence of the validity of his appointment. The person so appointed shall be entitled to exercise the same powers on behalf of such corporation as it could exercise if it were an individual Member of the Company.

DIRECTORS

76. (a) Unless and until otherwise from time to time determined by a special resolution of the Company, the number of the Directors (excluding Alternates) shall not be less than Seven nor more than [~~Twenty-five~~Fifteen in number].

(b) If at any time the number of Directors falls below the minimum number fixed by or in accordance with these Articles, the remaining Directors may act for the purpose of convening

a general meeting or for the purpose of bringing the number of Directors to such minimum, but for no other purpose.

~~74.~~77. The Board shall cause to be kept a Register of the ~~Directors'~~Directors, which shall, among other things, record Directors' holdings of shares and debentures of the Company and of its subsidiaries or holding Company (if any) as required by the Act, and shall cause the same to be available for inspection during the period and by the persons prescribed, and shall produce the same at every annual general meeting as required by the Act.

~~75.~~78. The Directors shall be paid out of the funds of the Company, by way of remuneration for their services, such sums as the Company may from time to time by ordinary resolution determine and such remuneration shall be divided among them in such proportion and manner as the Directors may determine and in default of such determination within a reasonable period, equally. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. The Directors shall also be entitled to be repaid by the Company all such reasonable travelling (including, hotel and incidental) expenses as they may incur in attending meetings of the Board, or of committees of the Board, or general meetings, or which they may otherwise properly incur in or about the business of the Company.

79. Any Director who by request performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

~~76.~~80. The Directors shall prepare a Directors' remuneration report for each financial year of the Company, which report shall record such details as are required under, and be presented to the Members in accordance with, the Act.

~~77.~~81. Directors shall not be required to hold any share qualification but shall be entitled to receive notice of and to attend and speak at all general meetings of the Company.

ALTERNATE DIRECTORS

~~78.~~82. Any Director may, with the consent of the Board (such consent not to be unreasonably withheld), appoint any person to be an Alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office. An alternate Director so appointed shall not be entitled to appoint an alternate to himself and shall not as such be entitled to receive any remuneration from the Company. Every person acting as an Alternate Director

shall be an officer of the Company, and he shall not be deemed to be the agent of the Director by whom he was appointed.

~~79.~~83. An Alternate Director shall be entitled to receive notices of all meetings of the Board and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence, including that of being counted as part of a quorum at any such meeting.

~~80.~~84. An Alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director.

~~81.~~85. Every appointment and removal of an Alternate Director shall be effected by notice in writing to the Company under the hand of the Director making or revoking such appointment.

~~82.~~86. A Director or any other person duly appointed as an Alternate Director may act to represent more than one Director, and a Director appointed as an Alternate Director shall be entitled at Board meetings to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

POWERS AND DUTIES OF DIRECTORS

~~83.~~87. The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in general meeting, and the exercise of the said powers shall be subject also to the control and regulation of any general meeting of the Company, but no resolution of the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such resolution had not been passed.

88. The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock, legal and equitable mortgages and charges and other securities whether outright or as security (principal or collateral) for any debt, liability or obligation of the Company or any third party.

~~84.~~89. The Directors shall duly comply with the provisions of the Statutes, and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting

the property of the Company, or created by it, and to keeping a register of the Directors and Secretaries, and to sending to the Registrar of Companies an annual list of Members, and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, or conversion of shares into stock, and copies of special resolutions, and a copy of the register of Directors and notifications of any changes therein. To the extent permissible by the law, the Directors may file statutory returns and serve notices on the Registrar of Companies electronically¹⁸.

85.90. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

91. The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

DIRECTORS' CONFLICT OF INTEREST

92. Articles 93 to 101 apply if:

(a) a Director or a body corporate entity connected with the Director is in any way (directly or indirectly) interested in a transaction, arrangement or contract with the Company that is significant in relation to the Company's business; and

(b) the Director's or the entity's interest is material.

93. The Director shall declare the nature of his interest at a meeting of the Directors in accordance with the Act. The Company shall maintain a register of declared conflicts of interests, which register shall be kept and updated by the Company Secretary.

94. The director and the director's alternate must neither:

(a) vote in respect of the transaction, arrangement or contract in which the director or the entity is so interested; nor

(b) be counted for quorum purposes in respect of the transaction, arrangement or contract.

95. Article 94 does not preclude the alternate from:

(a) voting in respect of the transaction, arrangement or contract on behalf of another appointor who does not have such an interest; and

~~(a)~~(b) being counted for quorum purposes in respect of the transaction, arrangement or contract.

96. If a Director or his alternate contravenes Article 94(a), the vote shall not be counted.

97. Article 94 does not apply to:

(a) an arrangement for giving a director any security or indemnity in respect of money lent by the director to or obligations undertaken by the director for the benefit of the Company;

(b) an arrangement for the Company to give any security to a third party in respect of a debt or obligation of the Company for which the director has assumed responsibility wholly or in part under a guarantee or indemnity or by the deposit of a security;

(c) an arrangement under which benefits are made available to employees and directors or former employees and directors of the Company or any of its subsidiaries, which do not provide special benefits for directors or former directors; or

(d) an arrangement to subscribe for or underwrite shares.

~~(a) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 200 of the Act.~~

~~86.98.~~ A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, or otherwise, or from being interested whether directly or indirectly in any contract or arrangement proposed to be entered into or in fact entered into by or on behalf of the Company; nor shall any such contract or arrangement in which any Director shall be so interested be avoided, nor shall any Director so contracting, or being interested, be liable to account to the

Company for any profit realised by him from such contract or arrangement in which he shall be so interested by reason of such Director holding that office or the fiduciary relation thereby established. This Article applies only if the Director has declared the nature and extent of the director's interest in accordance with these Articles.

- (b) ~~A Director may vote as a Director in respect of any contract or arrangement in which he is interested (and if he shall do so his vote shall be counted) and he may be counted for time purpose of any resolution regarding the same in the quorum present at the meeting.~~

~~87.99.~~ A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.

~~88.100.~~ Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

~~89.101.~~ A general notice given in accordance with section 153 of the Act is a sufficient declaration of interest in relation to the matters to which it relates. ~~in writing given to the Directors by any Director to the effect that he is a member of any specified Company or firm and is to be regarded as interested in any contract which may thereafter be made with that Company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made but no such notice shall be of effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given.~~

~~90.102.~~ All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

~~91.103.~~ The Directors shall cause minutes to be made in books (physical or electronic) provided for the purpose

- (a) of all appointments of officers made by the Directors;

- (b) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors.

92.104. The Directors may grant retirement pensions or annuities or other gratuities or allowances, including allowances on death, to any person or to the widow or dependants of any person in respect of services rendered by him to the Company whether as Managing Director and Chief Executive or in any other office or employment under the Company or indirectly as an officer or employee of any subsidiary company of the Company, notwithstanding that he may be or may have been a Director of the Company and may make payments towards insurances or trusts for such purposes in respect of such persons and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person.

DISQUALIFICATION OF DIRECTORS

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

- (a) ceases to be or is prohibited from being a Director by virtue of any provision of the Act or of the Banking Act (Cap. 488); or
- (b) becomes bankrupt; or
- (c) becomes incapable by reason of mental disorder of exercising his functions as a Director; or
- (d) resigns his office by notice in writing to the Company; or
- (e) attains the age of seventy, in accordance with Article ~~403~~110; or
- (f) is called upon, in writing, to resign by all the remaining Directors; or
- (g) is absent, without the previous sanction of the Directors, for a period of more than six months from meetings of the Directors held during such period and the Directors resolve that his office be vacated accordingly.

ROTATION OF DIRECTORS

94.106. (a) Subject to Article 98108, at each annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office.

- (b) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

- (c) A retiring director shall be eligible for re-election.
- (d) The Company at the meeting at which a Director retires in a manner as aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the reelection of such Director shall have been put to the meeting and lost.

95.107. No person other than a Director retiring at the meeting shall unless recommended by the Directors be eligible for election to the office of Director at any general meeting unless not less than Three nor more than Twenty-one days before the date appointed for the meeting there shall have been left at the registered office of the Company notice in writing signed by a Member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.

ADDITIONAL DIRECTORS

96.108. (a) The Directors shall have power at any time, and from time to time, to appoint a person as an additional Director either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not exceed the maximum fixed by or in accordance with these Articles; but any person so appointed shall retire from office at the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

- (b) The Company may from time to time by ordinary resolution increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.

REMOVAL OF DIRECTORS

109. The Company may by ordinary resolution, of which special notice has been given in accordance with the Act, remove any Director before the expiration of his period of office, and, without prejudice to the powers of the Directors under Article ~~98~~108 hereof, may by an ordinary resolution of which special notice has been given in accordance with the Act appoint another person in his stead; the person so appointed shall be subject to retirement at the same

time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. Such power of removal may be exercised notwithstanding anything in these Articles or in any agreement between the Company and such Director but without prejudice to any claim such Director may have for damages for breach of contract of service between him and the Company.

AGE OF DIRECTORS

97.110. (a) No person shall be capable of being appointed a Director of the Company if at the time of his appointment he has attained the age of Seventy.

(c) Any Director of the company who is subject to this Article shall vacate his office at the conclusion of the annual general meeting commencing next after he attains the age of Seventy; provided always that acts done by a person as Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of this Article.

(d) Where a person retires by virtue of paragraph b of this Article no provision for the automatic reappointment of retiring Directors in default of another appointment shall apply, and if at the meeting at which he retires the vacancy is not filled the same may be filled as a casual vacancy.

(e) Any person appointed in place of a Director retiring under paragraph b of this Article shall be treated for the purpose of determining the time at which he or any other Director is to retire as if he had become a Director on the day on which the retiring Director was last appointed before his retirement but except as provided by this paragraph of this Article the retirement of a Director out of turn by virtue of paragraph b of this Article shall be disregarded in determining when any other Directors are to retire ,

(f) The provisions of this Article shall apply whether or not the Company is or remains a private company.

PROCEEDINGS OF DIRECTORS

111. The Directors may meet for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit.

98.112. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote.

99.113. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.

~~100.114.~~ A meeting of directors shall be deemed to be duly constituted if the same is done through video conferencing or by any other audio-visual means or through the use of any other electronic media or technology that would enable a Director to communicate with and recognize all the other Directors in the meeting in real time. It shall be necessary to give notice of a meeting of Directors to any Director for the time being absent from Kenya.

~~101.115.~~ The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be Four.

~~102.116.~~ The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number or convening a general meeting to do so but for no other purpose.

CHAIRMAN, DEPUTY CHAIRMAN AND EXECUTIVE AND MANAGING DIRECTORS

~~103.117.~~ (a) The Directors may from time to time appoint one or more of their body to the office of Chairman or Deputy or Vice-Chairman (all of which offices shall be non-executive) or to be the holder of an executive office on such terms and subject as hereinafter mentioned for such period not exceeding in the case of the office of Chairman or a Deputy or Vice Chairman the period of one year and in the case of any executive office the period of five years as they shall determine.

(a) If no such Chairman or Deputy-Chairman is elected, or if at any meeting neither the Chairman nor the Deputy-Chairman is present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting and he shall then have a second or casting vote in the case of an equality of votes.

(b) Any Director appointed to an executive office as aforesaid shall not, while he holds such office, be subject to retirement by rotation nor shall he be taken into account in determining the rotation in which the Directors retire. His appointment shall immediately determine if he ceases from any cause to be a Director unless the contract or resolution under which he holds such executive office shall expressly

state otherwise, but without prejudice to any claim he may have or damages for breach of any contract of service between him and the Company.

(c) Any such executive office as aforesaid may be remunerated to such extent and in such manner as the Directors may determine and either from the general funds of the Company or otherwise as the Directors may determine.

~~(a)~~(d) The Directors may entrust to and confer upon any such Executive Director as aforesaid, any of the powers exercisable by them as Directors (other than the powers of making calls and issuing shares) upon such terms and conditions and with such restrictions as they may determine and either collaterally with or to the exclusion of their own powers and may from time to time revoke, alter, withdraw or vary all or any of such powers.

COMMITTEES OF DIRECTORS

~~104.~~118. The Directors shall be entitled to establish and maintain such number of board committees (whether standing or *ad hoc*) to assist the board to properly discharge its duties and responsibilities and to effectively execute its decision-making process and mandate as provided under these articles, the Act and the Statutes.

119. Without prejudice to the generality of the foregoing, the Company shall establish an audit committee, which shall be a standing committee of the board. Members of the audit committee shall be appointed by the Members at every annual general meeting, on the recommendation of the Directors.

120. The Directors shall make and document rules providing for the conduct of business, life span, roles and reporting procedures of the committees to which they have delegated any of their powers.

~~105.~~121. The Directors may delegate any of their powers to committees consisting of such Member or Members of their body as they think fit; any such committee shall conform to any regulation that may be imposed on it by the Directors.

~~106.~~122. Subject to rules established by the Directors under Article 120, ~~A-a~~ a committee may elect a Chairman of its meetings; if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the ~~Members~~ members present may choose one of their number to be Chairman of the meeting.

~~107.123.~~ Subject to rules established by the Directors under Article 120, A committee may meet (including in the manner set out in Article ~~101-112~~ in respect of Directors) and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the Members present, and in the case of an equality of votes the Chairman shall have a second or casting vote.

124. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

DIRECTORS' WRITTEN RESOLUTIONS

125. A resolution in writing signed by a simple majority of the Directors, or by all the members of a committee, shall be as valid and effectual as if it had been passed at a meeting of the Directors or of the committee (as the case may be) duly convened and held. Such a resolution may be circulated to the Directors by electronic means and signed electronically.

~~108.126.~~ The resolution in writing may consist of several instruments in the same form each duly executed by one or more directors and shall be deemed, unless a statement to the contrary is made in that resolution, to have been passed on the day on which it is signed by the last director who signed it.

SECRETARY

~~109.127.~~ The Secretary shall be appointed by the Directors for such term, a such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

~~110.128.~~ No person shall be appointed or hold office as Secretary who is

- (a) the sole Director of the Company; or
- (b) a corporation, the sole Director of which is the sole Director of the Company;
- or (c) the sole Director of a corporation which is the sole Director of the Company.

~~111.129.~~ A provision of the Act or these Articles requiring or authorising a 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.

THE SEAL

~~112.130.~~ The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors or of a committee of the Directors authorised by the Directors in that behalf, and in the presence of two Directors, or one Director and the Secretary or one Director and such other person as the Directors may appoint for the purpose; and such person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence either autographically or mechanically by a system of application controlled by the Auditors or Bankers of the Company.

~~113.131.~~ All forms of certificate for shares shall be issued under the Seal without the necessity of the signature of any Director, the Secretary or any other person.

DIVIDENDS AND RESERVES

~~114.132.~~ The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

~~115.133.~~ The Directors may from time to time pay to the Members such interim dividends (including therein the fixed dividends payable upon any preference or other shares at stated times) as appear to the Directors to be justified by the profits of the Company.

~~114.~~ No dividend shall be paid otherwise than out of profits [available for that purpose](#).

~~116.135.~~ [The Company may only make a distribution if the amount of its net assets is not less than the aggregate of its called-up share capital and undistributable reserves and if, and to the extent that, the distribution does not reduce the amount of those assets to less than that aggregate.](#)

~~117.136.~~ Subject to the rights of persons, if any, entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares, but if and so long as nothing is paid up on any of the shares in the Company dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the share 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 shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

~~118.~~137. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) 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.

138. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

~~119.~~139. The Directors may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

~~120.~~140. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other Company or in any one or more of such ways and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Member upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

~~121.~~141. Any dividend, interest or other moneys payable in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, electronically to such bank accounts or such other electronic devised modes of transfer as the shareholder may have advised and as by law recognised, in the case of joint holders to the account or other mode of the first holder named on the Register of shareholders.

~~122.~~142. No dividends shall bear interest against the Company.

~~123.143.~~ Any dividend unclaimed for ~~a such period as may be prescribed under any applicable law of more than Twelve years from the date of the declaration thereof may at any time thereafter be forfeited by resolution of the Directors~~ shall be dealt with by the Company in accordance with the provisions of the law relating to unclaimed financial assets.

ACCOUNTS

~~124.144.~~ The Directors shall cause proper books of account to be kept with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company.

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

~~125.145.~~ The books of account shall be kept at the registered office of the Company, or, subject to the Act, at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

~~126.146.~~ The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be opened to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.

~~127.147.~~ The Directors shall from time to time, in accordance with the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Act.

~~128.148.~~ A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the Auditors' report, (together the 'Accounts') shall not less than Twenty-one days before the date of the meeting be sent, delivered, or to the extent permissible by law otherwise be made available by electronic means, to every Member of, and every holder of debentures in the Company and every person who is entitled to receive notice of general meetings of the

Company but this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware, nor to more than one of the joint holders of any shares or debentures, and such documents may be sent using any of the modes set out in these Articles and to every person registered.

~~129.~~149. To the extent permissible by law, the Accounts shall be sent or otherwise made available by electronic means and not by post. This Article shall not require a copy of the Accounts to be sent or, to the extent permissible by law, otherwise made available by electronic means to any person of whose electronic or postal address the Company is not aware, nor to more than the first named of any joint holders of any shares or debentures. To the extent permissible by law, the Company may send the Accounts to all persons entitled thereto by publishing the Accounts on the Company's official website and, if available, on the official website of the Nairobi Stock Exchange, provided that the Company shall contemporaneously print an abridged set of the balance sheet and profit and loss statement in two daily newspapers with nationwide circulation drawing attention to the website(s) on which the Accounts in full may be read, and the address to which a request for a printed copy of the Accounts may be submitted and upon any such publication the Accounts shall be deemed to have been sent to every member or other person entitled to receive a copy of the Accounts.

CAPITALISATION OF PROFITS

~~130.~~150. The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for time being standing to the credit of any of the Company's reserve accounts to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such Members 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 a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

~~131.~~151. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised

thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall 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 any shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company 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 (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of 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.

AUDIT

~~132.152.~~ Auditors shall be appointed and their duties regulated in accordance with the Act.

NOTICES

~~133.153.~~ The Company may issue notices and any other communication to its Members through any of, or any combination of the following ways:

- (a) Post or Delivery to the registered addresses of Members;
- (b) Electronic transmission to the registered electronic addresses of Members;
- (c) Publication, on the same date, in two daily newspapers of nationwide circulation;
- (d) Publication on the Company's official website

For this purpose, the Company may create and maintain a database of its Members registered physical, postal and electronic addresses. All notices must include the physical, postal and electronic addresses to which communications to the Company may be relayed and Members may issue communications to the Company through any of these addresses²³.

~~134.154.~~ Any notice which has been published in a daily newspaper in accordance with Article ~~51-49, 148~~ or ~~134-153~~ shall be deemed to have been served at 9:00 a.m. on the next day following the date when it was published. Any notice sent by post shall be deemed to have been served at the expiration of seventy- two hours after posting. Any notice sent by facsimile or electronic means including display in the Company's official website shall be deemed to have been served at midnight. on the date when the notice was transmitted, sent or displayed.

~~135.155.~~ Any Member whose registered address is not within Kenya may by notice in writing require the Company to register an address within Kenya, which, for the purpose of service of

notices, shall be deemed to be his registered address. A Member who has no registered address within Kenya, and who has not given notice as aforesaid, shall be entitled to receive notices from the Company at his address outside Kenya.

~~136.~~156. A notice may be given by the Company to the person entitled to a share in consequence of the death or bankruptcy of a Member by sending it through the post in a prepaid letter, or by electronic means, addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the registered address of the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

~~137.~~157. As far as permissible under the law the Company may issue notices and other communication on any corporate action, offers of shares of the Company, rights issues, preference shares issues, bonus issues and any other offers by electronic means.

WINDING UP

~~138.~~158. If the Company shall be wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act or the Statutes, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

~~139.~~159. Every Director, Managing Director, Auditor, Secretary, other officer and agent for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him 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 under section 402-763 of the Act in which relief is granted to him by the Court or in any other case where he has acted in good faith, honestly and reasonably.

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FURTHER AMENDED VERSION (2019) DRAWN BY:-

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