

THE REPUBLIC OF UGANDA

THE COMPANIES ACT, CAP. 85

LAWS OF UGANDA

COMPANY LIMITED BY GUARANTEE, AND
NOT HAVING A SHARE CAPITAL

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

UGANDA INTERNET EXCHANGE POINT
LIMITED

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THE COMPANIES ACT, CAP 85

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A
SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

OF

UGANDA INTERNET EXCHANGE POINT LIMITED

1. The name of the Company is " UGANDA INTERNET EXCHANGE POINT LIMITED ".
2. The registered office of the Company shall be situate in the Republic of Uganda.
3. The objects for which the Company is established are:-
 - (a) The objective of the Company is to create a local point of exchange of Internet traffic. The IXP shall carry out among others the following activities geared towards advancing the purpose for its existence.
 - (b) To maintain regular reporting of statistics based on the metering of bad width and check daily rate of Internet traffic into Uganda.

- (c) To provide a cost effective way for ISPS to connect each other by creating a meeting point to enable bilateral or multiple peering agreements to emerge.
- (d) To create a co-location site for housing ISP equipment.
- (e) To provide faster access to Uganda's Internet traffic.
- (f) To facilitate greater access to e-commerce opportunities.
- (g) To foster cooperation among providers and users who are Involved in acquiring and providing information through electronic communications in UGANDA and generally in East Africa, with the aim of facilitating, developing and promoting reliable, accessible and affordable electronic communications services in UGANDA.
- (h) To provide a forum for exchange, discussion and cooperation among Internet service providers, users, institutions and individuals on electronics communications in UGANDA.
- (i) To facilitate exchange of technical information, cooperation and sharing of feed among member nodes in UGANDA.
- (j) To encourage user input into the operation of a not-for-profit Internet exchange point in UGANDA through participation in the point's Board of Directors.
- (k) To organize or participate in conferences, meetings, workshops, seminars, training sessions and exhibitions aimed at achieving the general objective of the Company.
- (l) To create an environment conducive to electronic communications.
- (m) To develop a document that sets out a professional code of conduct for nodes and users.
- (n) To provide training facilities for technicians to learn, study, develop and qualify as technicians in electronic communications.
- (o) To focus and participate internationally through research, journals, meetings and any aspect of electronic communications whenever the general objectives of the Company can be achieved.
- (p) To establish agreements or other forms of collaborative relationships with other bodies seeking to develop electronic communications in Africa.
- (q) To recruit, employ or otherwise engage qualified personnel who are necessary and useful for the purposes of conducting the Company's business.
- (r) To solicit, seek and raise funds from individuals, organizations, and donors, locally and internationally, for the purpose of advancing the Association's objectives.
- (s) To form branches, if necessary, in the Republic of UGANDA at other cities or towns.

(t) To remunerate any person or firm or Company rendering services to the Company.

(u) To do all or any of the above things in any part of the world either as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others or either by or through agents, contractors, trustees or otherwise in furtherance of the objectives of the company but not on competing basis with its members' business..

(v) To create Neutral meeting point for peering among ISPS.

(w) To create a local traffic exchange

(x) To accept in kind donations from equipment manufactures and service providers.

(y) To serve as a contingency for providing connectivity to an ISP when links are down.

(z) to buy, sell, deal and otherwise lease all such equipment associated with internet exchange;

(aa) to acquire by purchase, lease, exchange, hire or otherwise land and property of whatever nature or any interest in the same;

(bb) to erect and construct buildings and works of every description on the company's land and elsewhere and generally to deal with and improve the property and or lands of the company.

(cc) to purchase for investment or re-sale and deal in land and houses and other property of any tenure and any interest therein, and to create, sell and deal in freehold and leasehold ground rents and to make advances on the security of land or house or other property or any interest therein, and generally to dealing by way of sale, lease, exchange or otherwise with land and property whether movable or immovable;

(dd) to develop the resources in lands, buildings and rights for the time being of the company and in particular by laying out and preparing land for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing fitting up and improving and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others.

(ee) to carry on any other business (whether management or otherwise) which may seem to the company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of any of the company's property or rights;

(ff) to do all such other things as are incidental or conducive to the attainment of the above objects;

(gg) the objects set forth in any sub-clause of this clause shall not, except when the context expressly so requires, be in anyway limited

or restricted by reference to or inference from the terms of any other sub-clause or by the name of the company. None of such sub-clause or the object therein specified or the powers thereby conferred shall be deemed mentioned in the first sub-clause of this clause but the company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business, undertaking property of acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clause of this clause;

(hh) to receive money on deposit or loan with or without allowance of interest thereon;

(ii) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debenture and other negotiable instruments;

(jj) to enter into partnership or any other arrangement for sharing its, union of interest, co-operation reciprocal concerns, in or otherwise with any person or persons, firm or firms, or company or corporation carrying on or engaged in or about to carry or engage in any business or transaction which may seem to the Company capable of being conveniently carried on in connection with the above and is calculated directly or indirectly to enhance the value of any of the Company's property and/or whereby the Company would be benefited;

(kk) to enter into any arrangements with any Government authorities supreme, municipal, local or otherwise) or any corporation Companies, or persons that may seem conducive to the Company's objects, or any of them and to obtain from any Government authority, corporation, Company or persons any charters, contracts, decrees, rights, privileges and concessions;

(ll) to apply for, purchase, lease or otherwise acquire any patents, brevets invention, licence, trademark designs, easements, concessions, and the like, conferring an exclusive or non-exclusive, or limited information as to any invention which may seem capable of being used for any of the purpose of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, or grant licences in respect of or otherwise turn to account the property rights or information so acquired;

(mm) to acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or Company carrying on or proposing to carry on any of the business which this Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or such person or to acquire an interest in, amalgamate with or enter into any arrangement for co-operation, or for mutual assistance with any such person, firm or Company;

(nn) to improve, manage cultivate, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of or otherwise deal with all or any part of the property and rights of the Company;

(oo) to place or deposit with any banks for any period of time the monies not required for the immediate use of the Company;

(pp) to borrow or raise or secure the payment of money in such manner as the Company shall think fit;

(qq) to apply for, promote and obtain any decree, Act of Parliament, Ordinance, Provisional Order, Letters Patent or Licence for enabling the Company to carry on any of its objects into effect or for effecting any modification of the Company's Constitution or for other purpose which may seem expedient, and in particular proceedings or applications which may seem necessary for obtaining such decree, Act of Parliament, Ordinance, Provisional Order, Letters Patent or Licence and to oppose proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests;

(rr) to enter into any arrangement with any Governments or authorities (supreme municipal, local or otherwise) any, corporations, Companies, or persons that may seem conducive to the Company's advancement, and to obtain from any such Government, authority, corporation, Company or persons any charters, contracts which the Company may think desirable, and to carry out, exercise and comply with any charters, contracts, decrees, rights, privileges, concessions and licences, obtained or granted;

(ss) to act as agents or brokers and as trustees for any person, firms, or Company and to undertake and perform sub-contracts and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors, or others either alone or in conjunction with others and in any part of the world;

(tt) to remunerate any person, firm or Company rendering services to this Company either by cash payment or otherwise as may be thought expedient;

(uu) to make donations to such persons and in such cases and either in cash or other assets as the Company may think directly or indirectly conducive to any of its objects or otherwise expedient;

(vv) to subscribe to or otherwise assist benevolent charitable, national, or other institutions, societies, clubs, funds or objects of a public character;

(ww) to do anything else which in the opinion of the Board of Directors is capable or conducive to the carrying out of the above and any other objects of the Company;

(xx) the objects specified in each paragraph of this clause of this memorandum shall be regarded as independent objects and accordingly shall be in no way be limited or restricted (except when otherwise expressed in such paragraph) by reference to any object indicated in any other paragraph or the same or the Company but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent Company;

(yy) in this memorandum (unless the context otherwise requires) words importing to singular shall include the plural and vice versa, and the "Company" shall otherwise than to this Company include persons or bodies of persons (whether incorporated or not), partnerships, clubs, societies, and associations whether domiciled in Uganda or not;

AND it is hereby declared that the word "Company" in this clause when not used in reference to this Company shall be deemed to include any partnership or other body or persons whether incorporated or not or whether domiciled in Uganda or elsewhere and the intention is that the objects specified in each paragraph be in no way limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

(zz) FOR AVOIDANCE OF DOUBT none of income or assets of the company may confer any private benefit to any member and no part of the income or assets of the Company shall be in use for the benefit of any members or officer of the Company provided, however, that such remuneration for consultants and the secretariat shall not be considered to be a profit for the purpose of this article.

4. THE LIABILITY OF THE MEMBERS IS LIMITED.

5. Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he is a member, or within one year afterwards, for payment of the debts and liabilities of the company, contracted before he ceases to be a member, and the costs charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of this memorandum of association.

NAME, POSTAL ADDRESSES
AND OCCUPATIONS OF
SUBSCRIBERS

SIGNATURES
OF
SUBSCRIBERS

1. UGANDA ON LINE
P. O. Box 12510
KAMPALA
2. MTN UGANDA LIMITED
UDB TOWERS
22 Hannington Road
P. O. Box 24624 KAMPALA
3. UGANDA TELECOM LIMITED
Rwenzori Courts, Lumumba Avenue
P. O. Box 7171 KAMPALA
4. WILKEN AFSAT UGANDA LIMITED
UDB TOWERS 9th Floor
22 Hannington ROAD Kampala
P. O. Box 25745 KAMPALA
5. SANYUTEL UGANDA LIMITED
Workers House 7th Floor
3 Pilkington Street
6. AFRICA ONLINE UGANDA LIMITED
7 COMMERCIAL PLAZA 5th Floor
Kampala Road
P. O. Box 29331 KAMPALA
7. COMPUTER FRONTIERS INTERNATIONAL
Plot 32 Lumumba Avenue
P. O. Box 12510 KAMPALA
8. SPACENET INTERNATIONAL LIMITED
DIAMOND TRUST BUILDING, 4th Floor
P. O. Box 28685 KAMPALA
9. Uganda Connect
Development House
Parliament Avenue
P. O. Box 23500 KAMPALA
10. Bushnet Limited
Plot 1000 Baka Close
Tankhill Muyenga
P. O. Box 22849
KAMPALA
11. Infocom Uganda Limited
2, Clement Hill Road
P. O. Box 8373 KAMPALA

12. Impala Media Limited
4, UCB Arcade
12 Kampala Road
P. O. Box 23904 KAMPALA

13. Linux Solutions Limited
Colline House
Plot 4 Pilkington Road
P. O. Box 26192 KAMPALA

DATED AT KAMPALA THIS..... DAY OF..... 2001

WITNESS TO THE ABOVE SIGNATURES:

SIGNATURE: _____

NAME IN FULL: _____

OCCUPATION: _____

ADDRESS: _____

THE COMPANIES ACT, CAP 85

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A
SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

UGANDA INTERNET EXCHANGE POINT
LIMITED

TABLE "C"

A. The regulations contained in TABLE "C" PART 1 in the First Schedule to the Companies Act Cap 85 Laws of Uganda, shall NOT apply to the Company and form the Articles of Association of the company except so far as expressly limited and stated herein.

INTERPRETATION

1. In these regulations -

"the Act" means the Companies Act;

"Seal" means the common seal of the company;

"Secretary" means any person appointed to perform the duties of the secretary of the Company;

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

MEMBERS

2. The number of Members with which the Company proposes to be registered is Eleven (11), but the Directors may from time to time register an increase in Members

3. The subscribers to the Memorandum of Association and such other persons as the Directors shall admit to Membership shall be members of the Company.

GENERAL MEETING

4. 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 meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next. Provided that so long as the company holds its first annual meeting within eighteen months of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the directors shall appoint.

5. All general meetings other than annual general meetings shall be called extra ordinary general meetings.

6. The directors may whenever they think fit convene an extra-ordinary general meeting and, extra ordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by section 132 of the Act. If at any time they are not within Uganda, sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

NOTICE OF GENERAL MEETINGS

7. An annual general meeting and a meeting called for passing a special resolution shall be called by twenty-one days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business shall be given, in manner, if any as may be prescribed by Company in general meeting, to such persons as are under the regulations of the Company, entitled to receive such notice from the Company.

PROVIDED that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed.

(a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

(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 ninety-five per centum in nominal value of the shares giving that right.

8. 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 the meeting.

PROCEEDINGS AT GENERAL MEETINGS

9. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all 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, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.

10. 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 herein otherwise provided, two members present in person or by proxy shall be a quorum.

11. 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; 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 shall be a quorum.

12. The Chairman, if any, of the Board of Directors shall preside as Chairman at every general meeting of the Company, or if there is no such chairman or if he shall not be present within thirty minutes after the time appointed for the holding of the meeting or is unwilling to act the Directors present shall elect one of their number to be Chairman of the meeting.

13. If at any meeting no Director is willing to act as Chairman or if 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.

14. 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 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.

15. 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 members present in person or by proxy; or
- (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 or;
- (d) by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands has 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.

16. Except as provided in Article 18, 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.

17. 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 has taken place or at which the poll is demanded, shall be entitled to a second or casting vote.

18. A poll demanded on the election of a Chairman or on a question 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 on the business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

19. Subject to the provisions of the Act a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorised representatives) shall be valid and effective as if the same had been passed at a general meeting of the company duly convened and held.

VOTES OF MEMBERS

20. Every member shall have one vote.

21. A member of unsound mind in respect of whose estate a manager has been appointed under the law relating to the administration of estates of persons of unsound mind may vote, whether on a show of hands or on a poll, by his said manager, and any such manager may, on a poll, vote by proxy.

22. No member shall be entitled to vote at any general meeting unless all moneys presently payable by him to the Company have been paid.

23. On a poll, votes may be given either personally or by proxy.

24. The instrument appointing a proxy shall be in writing under the hand of the appointer 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 authorised. A proxy need not be a member of the Company.

25. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place within Uganda 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.

26. An instrument appointing a proxy shall be in the following form or a form as near to as circumstances admit-

"I/We _____, of Limited _____, being a member/members of the above named company, hereby appoint _____, of _____, or failing him, _____ of _____, as may/ our proxy to vote for me/us on my/ our meeting of the company to be held on the _____ day of . 200..., and at any adjournment thereof.

Signed this _____ day of _____ 200 ."

27. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing the proxy shall be in the following form or a form as near thereto as circumstances admit-

"I/We _____, of Limited _____, being a member/members of the above named company, hereby appoint _____, of _____, or failing him, _____ of _____, as may/ our proxy to vote for me/us on my/ our meeting of the company to be held on the _____ day of . 200..., and at any adjournment thereof.

Signed this _____ day of _____ 200 ."

This form is to be used *in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.

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

29. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or 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 on writing of such death, insanity, 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 acting by Representatives at meetings

30. Any corporation, which is a member of the company, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the company or of any class of members of the company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the company.

D I R E C T O R S

31. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum of association or a majority of them and until such determination the signatories to the memorandum of Association shall be the first directors.

32. The remuneration of the directors shall from time to time be determined by the company in a general meeting. Such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the company or in connection with the business of the company.

33. A director of the company may be or become a director or other officer of, or otherwise interested in, any company promoted by the company or in which the company may be interested as shareholder or otherwise, and no such director shall be accountable to the company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the company otherwise direct.

BORROWING POWERS

34. The directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.

Provided that the amount for the time being remaining undischarged of moneys borrowed or secured by the directors as foresaid (apart from temporary loans obtained from the company's Bankers in the ordinary course of business) shall not any time without the previous sanction of the company in general Meeting, exceed US \$ 100,000, but never the less no lender Or other person dealing with the company shall be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be valid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded.

POWERS AND DUTIES OF DIRECTORS.

35. 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 regulations, required to be exercised by the Company in general meeting, subject nevertheless, to any of these regulations, to the provisions, of the Act and to such regulations, being not inconsistent with the aforesaid regulations or

provision, as may be prescribed by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

36. 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 regulations) and for such period and subject to such conditions as they may think fit, and any such power 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 power, authorities and discretions vested in him.

37. The Company may exercise the powers conferred by Section 37 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

38. The Company may exercise the powers conferred upon the company by sections 121 to 124 (both inclusive) of the Act with regard to the keeping of a branch register, and Directors may (subject to the provisions of these sections) make and vary such regulations as they think fit in respecting the keeping of any such register.

39.(1) 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.

(2) A director shall not vote in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, nor shall he be counted in the quorum present at the meeting but neither of these prohibitions shall apply to-

(a) any arrangement for giving any director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the company, or

(b) to any arrangement for the giving by the company of any security to a third party in respect of a debt or obligation of the company for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or

(c) any contract or arrangement with any other company in which he is interested only as an officer of the company or as holder of shares or other securities,

and these prohibitions may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the company in general meeting.

(3) 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 or intending director shall be disqualified by his office from contracting with the company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the company in which any director is in any way interested, be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the company for any profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established.

(4) 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.

(5) 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.

40. 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.

41. The Directors shall cause minutes to be made in books provided for the purpose:-

- (a) of all appointments of officers made by the Directors;
- (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
- (c) of all resolutions and proceedings at all meetings of the company and of the directors and of committee of Directors; and every director present at any meeting of directors or the committee of Directors shall sign his name in a book to be kept for that purpose.

42. The Directors on behalf of the Company may pay a gratuity or pension or

allowance on retirement to any director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

DISQUALIFICATION OF DIRECTORS

43. The office of director shall be vacated if the director-

- (a) becomes bankrupt or makes any arrangements or commission with his creditors generally; or
- (b) becomes prohibited from being a director by reason of any order made under Section 189 of the Act; or
- (c) becomes of unsound mind; or
- (d) resigns his office by notice in writing to the Company; or
- (e) Ceases to be a Director by virtue of Section 186 of the Act; or
- (f) shall for more than six months have been absent without permission of the directors from meetings of the directors held during that period.

ROTATION OF DIRECTORS

44. At the first annual general meeting of the Company all the Directors shall retire from office, and at the annual general meeting in every subsequent year 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.

45. 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.

46. A retiring Director shall be eligible for re-election.

47. The Company at the meeting at which a Director retires in the manner 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 re-election of such Director shall have been put to the meeting and lost.

48. 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 fully 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.

49. 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.

50. The directors shall have power at any time and from time to time to appoint any person to be a 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 at any time exceed the number fixed in accordance with these regulations. Any director so appointed shall hold office only until 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.

51. The Company may by ordinary resolution, of which special notice has been given in accordance with section 142 of the Act, remove any director before the expiration of his period of office notwithstanding anything in these regulations or in any agreement between the company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the company.

52. The company may by ordinary resolution appoint another person in place of a Director removed from office under the immediately preceding regulation, and without prejudice to the powers of the Directors under regulation 95 of the company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person so appointed in place of a Director so removed or to fill such a vacancy 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.

PROCEEDINGS OF DIRECTORS

53. The directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meeting, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. A Director may and the Company Secretary on the requisition of a Director shall, at any time summon a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from Uganda.

54. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be two.

55. 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 of summoning a general meeting of the Company but for no other purpose.

56. The directors may elect a Chairman of their meetings and determine the period for which he is to hold office; but 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 directors present may choose one of their number to be a chairman of the meeting.

57. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit, any committee formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors.

58. A committee may elect a Chairman of its meeting, if no such Chairman is elected, or if at any meeting the Chairman is not present within thirty minutes after the time appointed for holding the same, the members present may choose one of their member to be Chairman of the meeting.

59. A committee may meet 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.

60. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as Directors shall, notwithstanding that it afterwards be 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.

61. A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.

MANAGING DIRECTOR

62. The directors may from time to time appoint one or more of their body to the office of Managing Director for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A director so appointed shall not, whilst holding

that office, be subject to retirement by rotation or be taken into account determining the rotation or retirement of the Director, but his appointment shall be automatically determined if he ceases from any cause to be a Director.

63. A Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.

64. The Directors may entrust to and confer upon the Managing Director any of their powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collateral with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

65. The Secretary shall be appointed by the Directors on such terms, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by the Directors.

66. 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.
- (c) the sole Director of a corporation which is the sole Director of the Company.

67. A provision of the Act or these regulations requiring or authorising a thing to be done or to a Director and the Secretary, shall not be satisfied by its being done by or to the same person acting both as a Director and as or in place, of the Secretary.

THE SEAL

68. The Directors shall provide for the safe custody of the seal, which shall be used by the authority of one of the original subscribers or of a committee of the Directors authorised by the original subscribers in that behalf, and every instrument to which the seal shall be affixed be signed by an original subscriber and shall be countersigned by the Secretary or by a second Director or by some other person appointed by one of the original subscribers for the purpose.

A C O U N T S

69. The Directors shall cause proper books of accounts 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 of accounts as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

70. The books of accounts shall be kept at the registered office of the Company, or, subject to Section 147(3) of the Act, at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

71. 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 open to the inspection of members (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.

72. The directors shall from time to time, in accordance with Section 148, 150 and 157 of 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 referred to in those sections.

73. 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, shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of the Company. Provided that this Regulation shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than of the joint holders of any debentures.

A U D I T

74. Auditors shall be appointed and their duties regulated in accordance with Sections 159 to 162 of the Act.

N O T I C E S

75. A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or if he has no registered

address within Uganda) to the address, if any with in Uganda supplied by him to the company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected properly addressing. Prepaying, and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of seventy- two hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

76. Notice of every general meeting shall be given in any manner herein before authorised to-

(a) Every member except those members who (having no registered address within Uganda) have not supplied to the company an address with in Uganda for the giving of notices to them;

(b) Every person upon whom the ownership of a share devolves by reason of his being a personal representative or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting; and

(c) The auditor for the time being of the company.

No other person shall be entitled to receive notices of general meetings.

WINDING UP

77. 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, divide amongst the members in specie or 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 trust 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.

I N D E M N I T Y

78. Every director, Managing director, agent, auditor, secretary and other officer for the time being of the company shall be indemnified out of the assets of the company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 405 of the Act in which relief is granted to him by the Court.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of these Articles of association.

NAME, POSTAL ADDRESS
AND OCCUPATIONS OF
THE SUBSCRIBERS

SIGNATURES
OF
SUBSCRIBERS

1. UGANDA ON LINE
P. O. Box 12510
KAMPALA
2. MTN UGANDA LIMITED
UDB TOWERS
22 Hannington Road
P. O. Box 24624 KAMPALA
3. UGANDA TELECOM LIMITED
Rwenzori Courts, Lumumba Avenue
P. O. Box 7171 KAMPALA
4. WILKEN AFSAT UGANDA LIMITED
UDB TOWERS 9th Floor
22 Hannington ROAD Kampala
P. O. Box 25745 KAMPALA
5. SANYUTEL UGANDA LIMITED
Workers House 7th Floor
3 Pilkington Street
6. AFRICA ONLINE UGANDA LIMITED
7 COMMERCIAL PLAZA 5th Floor
Kampala Road
P. O. Box 29331 KAMPALA
7. COMPUTER FRONTIERS INTERNATIONAL
Plot 32 Lumumba Avenue
P. O. Box 12510 KAMPALA
8. SPACENET INTERNATIONAL LIMITED
DIAMOND TRUST BUILDING, 4th Floor
P. O. Box 28685 KAMPALA
9. Uganda Connect
Development House, Parliament Avenue
P. O. Box 23500 KAMPALA
10. Bushnet Limited
Plot 1000 Baka Close
Tankhill Muyenga
P. O. Box 22849
KAMPALA
11. Infocom Uganda Limited
2, Clement Hill Road
P. O. Box 8373 KAMPALA

12. Impala Media Limited
4, UCB Arcade
12 Kampala Road
P. O. Box 23904 KAMPALA

13. Linux Solutions Limited
Colline House
Plot 4 Pilkington Road
P. O. Box 26192 KAMPALA

DATED AT KAMPALA THIS DAY OF 2001

WITNESS TO THE ABOVE SIGNATURES:-

SIGNATURE:- -----

NAME IN FULL:- -----

OCCUPATION:- -----

ADDRESS:- -----