

**THE COMPANIES ACT, 2015**

**(LAWS OF KENYA)**

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**COMPANY LIMITED BY GUARANTEE**  
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**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION OF  
AFRICAN SECURITIES EXCHANGES ASSOCIATION**

**THE COMPANIES ACT, 2015**  
**COMPANY LIMITED BY GUARANTEE**

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**MEMORANDUM OF ASSOCIATION**  
**OF**  
**AFRICAN SECURITIES EXCHANGES ASSOCIATION**

1. The name of the Association is “African Securities Exchanges Association”.
2. The Registered Office of the Association will be situate in Kenya.
3. The objects for which the Association is established are:-
  - a) **PRIMARY OBJECTS AND POWERS**
    - i) To establish an association for systematic mutual cooperation, exchange of information, materials and persons, mutual assistance and joint programmes between the members;
    - ii) To promote the establishment of securities exchanges in all African countries;
    - iii) To promote the development of common standards of training and professionalism among members of the Association and other market players;
    - iv) To promote common standards of issuing, listing, trading and settlement of securities;
    - v) To facilitate the development and promotion of products and services for Africa’s capital markets;
    - vi) To assist members in the promotion and development of the range of services associated with the capital markets;
    - vii) To develop and promote a data bank and information system for the mutual benefit of members;
    - viii) To study, and research on matters of mutual interest to members;
    - ix) To disseminate information; produce materials in all media, hold conferences, seminars and exhibitions, and conduct other public education activities relevant to the interests of members;
    - x) To ensure that the views and interests of the Association are promoted in the appropriate worldwide fora; and
    - xi) To do all other things, not inconsistent with the foregoing as shall promote the objects and powers.
  - b) **ANCILLARY POWERS**
    - i) The establishment of funds or trust for purposes within the scope of these objects.

- ii) To conduct education, training and publicity activities in all media and languages to develop and to create a public understanding of the securities business.
- iii) To invest the moneys of the Association not immediately required by the Association in the purchase or upon the security of shares, stocks, debentures (whether secured or unsecured) debenture stocks, annuities, bonds, mortgages, obligations and securities and investments of any kind whatsoever issued or guaranteed by any company (corporation or undertaking) of whatsoever nature and wheresoever constituted or carrying on business and shares, stocks, debentures (whether secured or unsecured) debenture stocks, bonds mortgages, obligations and other securities issued or guaranteed by any Government, Sovereign Ruler, Commissioners, Trust, Municipal, Local or other Authority or body of whatever nature whether in member country or abroad.
- iv) To lend or otherwise deal with the moneys of the Association in such manner as may from time to time be determined by the committee of the Association.
- v) To borrow or raise and in any manner secure the payment or moneys for the purposes of or in connection with the Association's business.
- vi) To mortgage and charge the undertaking and all or any of the movable and immovable property and assets, present or future, and all or any of the uncalled capital for the time being of the Association, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights powers, privileges and conditions as may be thought fit, debentures or debenture-stocks, either permanent or redeemable or repayable and to make and issue other forms of security and collateral further to secure any securities of the Association by a Trust Deed or other assurance.
- vii) To draw, make accept, endorse negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments and commercial or trading documents.
- viii) To purchase, take on lease or in exchange hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, trademarks, trade names, licenses, secret processes, machinery plant, stock-in-trade, and movable or immovable property of any kind whatsoever, necessary or convenient for the purpose of or in connection with business, undertaking, property, rights, assets, liabilities and transaction of any other company corporation, firm or person, carrying on in Kenya or elsewhere business which this Association is authorized to carry on, or possessed of any property or rights suitable for the purposes of this Association for such consideration and on such terms as the Association may determine.
- ix) To sell, improve, manage, develop, exchange, mortgage, dispose of, turn to account, let lease or demise (Whether on rent, royalty or with share of profits or otherwise) and in any other manner to deal with all or any part of the undertaking, property, assets and rights of the Association, and to grant licences easements and other rights in or over the same, and to sell or dispose of the business, undertaking, property rights, assets, liabilities and transactions of the Association and in any of such cases to accept payment for the same either in cash, by instalments or otherwise, or in fully or partly paid up shares of any other company or corporation with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation or partly in one mode and partly in another, or for such other consideration and generally on such terms as the Association may determine and hold, dispose of or otherwise deal with any shares, stock, or securities so acquired.
- x) To erect, construct, lay down enlarge, alter and maintain any roads, offices, buildings, and such other structures necessary or convenient for the Association's business

and to contribute to or subsidise the erection, construction and maintenance of any of the same.

- xi) To grant pensions, allowances, gratuities, bonuses, and other benefits to officers, ex-officers and employees (including directors and ex-directors) of the Association or its predecessors in business or the dependants or connections of any such persons to establish, contribute to and maintain or concur or join with any other companies, corporations, firms or persons in establishing, contributing, to and maintaining trusts, funds, or schemes (whether contributory or non-contributory) with a view to providing pensions, provident fund benefits, sickness or compassionate allowances, life assurances or other benefits for any such persons as aforesaid, their dependants or connections and to support or subscribe to any charitable funds or institutions, the support which may, in the opinion of the committee be calculated directly or indirectly to benefit the Association or its officers or employees, and to institute and maintain any club or other establishment or profit sharing scheme calculated to advance the interests of the Association or its officers or employees.
- xii) To enter into any partnership arrangement or arrangements for sharing profits, union of interests reciprocal concession, or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Association and to attend to and deal with any ancillary function in connection therewith and generally to subsidize or otherwise assist any such company.
- xiii) To establish or promote or concur in establishing or promoting any other company whose objects include the acquisition and taking over of all or any part of the business, undertaking, property rights, assets, liabilities, and transactions of this association or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Association.
- xiv) To amalgamate with any other company whose objects are or include objects similar to those of this Association whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking subject to the liabilities of this and or such other company as aforesaid, or by partnership, or in any other manner.
- xv) To undertake and execute trusts the undertaking whereof may seem desirable, and either gratuitously or otherwise.
- xvi) To adopt such means of making known the business of the Association and or others as may seem expedient and in particular by advertising in the press, on the radio, by circulars, by purchase and exhibition of works of art or interest by publication of books and periodicals and by granting prizes, rewards and donations and by propaganda of all kinds.
- xvii) To appoint, engage, employ, maintain, provide for dismiss, and terminate officers, managers and other employees of every description and to remunerate any such at such rate in such manner, as shall be thought fit.
- xviii) To promote freedom of contracts and to resist, insure against, counteract, discourage interference therewith and to subscribe to any association or fund for any such purposes.
- xix) To aid pecuniarily or otherwise, any association body or movement having for an object the solution settlement or surmounting of industrial or labour problems, troubles or disputes or the promotion of industry or trade.
- xx) To enter into any arrangement with any Government or other authorities Supreme, Municipal, local or otherwise and to obtain from any such Government or Authority all

rights, concessions and privileges that may seem conducive to the Association's objects or any of them.

- xxi) To procure the Association to be registered, incorporated or otherwise empowered or represented in any country or place outside Kenya.
- xxii) To pay all expenses incidental to the formation or promotion of this Association.
- xxiii) To do all such other things as are incidental or conducive to the above objects or any of them.

It is hereby declared that in the foregoing paragraphs of this Clause (unless a contrary intention appears) the word "Person" includes any number of persons and a company, and the word "company" shall be deemed to include a corporation and partnership or other body of persons whether incorporated or not and whether domiciled or incorporated or registered in Kenya or elsewhere.

- 4.
  - (a) The income and property of the Association whencesoever derived shall be applied solely towards the promotion of the objects of the Association as set forth in this Memorandum of Association; and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, gift, division, bonus, or otherwise howsoever by way of profit, to the members of the Association.
  - (b) Nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer including but not limited to the Secretary, Deputy Secretary, Assistant Secretary or any other servant of the Association, or to any member of the Association, in return for any services actually rendered to the Association; nor prevent the payment of Directors' and consultancy fees to any Director of the Association; nor prevent the payment of interest at a rate not exceeding current bank rate on money lent, or reasonable and proper rent for premises demised or let by any member to the Association.
  - (c) Nothing hereinbefore contained shall prevent any payment to any company of which a member of the Executive Committee may be a member or shareholder.
- 5. The liability of the members is limited.
- 6. Every member of the Association undertakes to contribute to the assets of the Association in the event of its being wound up while it is a member and up one year after it ceases to be a member, for payment of the debts and liabilities of the Association contracted before it ceases to be member and costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding Kenya Shillings Ten Thousand (Kshs 10,000) only.

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.

-----  
Names, Address and Descriptions  
of the Subscribers

Signature of  
Subscribers  
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NAIROBI STOCK EXCHANGE LIMITED P O BOX 43633 NAIROBI	Signed
THE ZIMBABWE STOCK EXCHANGE P O BOX UA 234 HARARE ( A body corporate established under the Zimbabwe Stock Exchange Act, 1974 of the Laws of Zimbabwe)	Signed

**DATED the 30<sup>TH</sup> day of November 1993**

**Witness to the above signatures:**

**JAYNE MUTHONI NJAGE  
ADVOCATE  
P O BOX 44695  
NAIROBI**

**CERTIFICATE UNDER THE COMPANIES REGULATIONS**

Certified that the above Memorandum of Association has been produced by the method of Xerography.

**THE COMPANIES ACT, 2015**

**COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**

**OF**

**AFRICAN SECURITIES EXCHANGES ASSOCIATION**

**PRELIMINARY**

- |  |           |  |
|--|-----------|--|
| <b>Rules in Table<br/>“C” not to<br/>apply</b> | <b>1.</b> | The Regulations in the Fifth Schedule (Model Articles for Companies Limited by Guarantee) in the Company (General) Regulations, 2015 shall not apply to the African Securities Exchanges Association, which shall be governed by the Rules contained in these Articles but subject to repeal, alteration, or addition by Special Resolution. |
| <b>Interpretation</b>                          | <b>2.</b> | a) In these Articles, if not inconsistent with the subject or context, 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 thereof:  |

**WORDS**

**MEANINGS**

**The Association** African Securities Exchanges Association.

:

**Registered Office** The Registered office of Association for the time being and from time to time.

:

**The Statutes** The Companies Act, 2015 of the Laws of Kenya and every other Act for the time being in force concerning companies and affecting the Association.

:



<b>The Act</b> :	Has the same meaning assigned thereto as “the Statutes”.
<b>Executive Committee</b> :	As appointed by the Members under these presents.
<b>These Presents</b> :	The Memorandum of Association and/or the Articles of Association of African Securities Exchanges as herein set out or as from time to time altered by Special Resolution.
<b>Rules and By- Laws</b> :	The Rules and By-Laws framed and presented by the Executive Committee including any amendment thereto.
<b>Securities</b> :	Shares, stocks, bonds, debentures, notes, options, and all other kinds of certificates or transferable documents of indebtedness or any right or interest therein whether issued by companies, public bodies, corporate bodies or government authority.
<b>Stockbrokers</b> :	A company, corporate body or individual who carries on the business of a broker in securities.
<b>The Secretary</b> :	Any person appointed to perform the duties of the Secretary of the Association in accordance with any statutory provision relating thereto and in addition who shall be in-charge of the day to day management of the Association.
<b>The Seal</b> :	The Common Seal of the Association.
<b>Month</b> :	Calendar Month
<b>Year</b> :	Calendar Year
	a) Expressions referring to writing shall, unless the contrary intention bears, be construed as including reference to printing lithography, photography, modes of representing or reproducing words in a visible form.

- b) Words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender, and words importing persons shall include corporations and companies.
- c) Save as aforesaid, any words or expressions defined in the statutes shall, if not inconsistent with the subject or context herein, bear the same meaning in these presents.

### **MEMBERSHIP**

**Number and  
Types of  
Members**      3.

- a) The number of members with which the company proposes to be registered is fifty (50) but the Executive Members may from time to time register an increase of members
- b) The members of the Association shall be the subscribers to the Memorandum of Association and such others as may be admitted in accordance with these presents
- c) There are three categories of members, namely: full member, associate member and observer status.
  - (i) Full Membership is open to a recognized, regulated and supervised securities exchange, derivative and commodities exchange operating in Africa:
  - (ii) Associate Membership is open to entities operating in the capital markets industry in Africa or elsewhere.
  - (iii) Observer status is open to a national or international organization that has an interest in or is concerned with securities exchange, derivative and commodities exchange and that wishes to participate or assist in any constructive way in furthering the objectives of the Association.

**Eligibility for  
Membership**      4.

- (a) Any Securities Exchange or nascent Securities Exchange located in Africa may apply for membership of the Association in the form of the Schedule to these presents.

(b) Applicants for Full Membership of the Association shall be required to satisfy the following conditions:

- i) Be a significant securities exchange, derivative exchange or commodities market within its jurisdiction: This significance shall be considered with regards to the relevance of the applicant's market indicators compared to those of other exchanges or markets within the jurisdiction. This will also serve as proof of the applicant's ability to pay the subscription fees of the Association.
- ii) Be regulated by a supervisory body under a statutory framework: The Association will require an official letter of introduction from the supervisory body and a copy of the laws under which the applicant operates.
- iii) Be in a position to enforce listing rules and trading rules among its trading participants: The Association shall require a copy of the latest listing rules and trading rules in addition to an operations manual.
- iv) Be an active market: The applicant should maintain an active trading platform. The applicant should endorse a public statement engaging him of providing ASEA with periodic statistics.
- v) Have been trading for a minimum of one year.
- vi) Should submit the particulars of the members of its board of directors and its corporate governance policy.
- vii) Shall be required to submit a formal written letter of interest and a completed application form for consideration by the Executive Committee.
- viii) Undertakes to comply with the Articles of Association of ASEA, and to pay the subscription fees of the Association and dues.



- (d) A Member which has been suspended from membership of the Association in terms of this Article and which has not paid its annual subscriptions by the next meeting of the Association, shall forthwith cease to be a member of the Association unless the Executive Committee has either generally or in the particular case, otherwise decided.
- (e) The presentation of a motion for suspension or expulsion of a Member shall be signed by not less than four (4) members of the Association, and shall not be effective unless a copy of the motion shall have been served on the Member at least three months prior to the date of the meeting.
- (f) The Member sought to be suspended or expelled shall have the right to make written and/or oral representations at the relevant meeting as to why it should not be suspended or expelled, as the case may be.

**Consequences  
of Suspension,  
Expulsion  
and Cessation  
from  
Membership**      **8.**

- (a) A Member which has been suspended from membership of the Association shall not be entitled to attend meetings of the Association or to receive any documents or papers otherwise distributed by the Association to Members during the period of suspension.
- (b) The suspension of a Member shall not in any way operate as a waiver of that Member's obligation to pay annual subscriptions to the Association
- (c) Upon the suspension or expulsion of any Member the Executive Committee shall prescribe the conditions upon which such suspension may be terminated, and the expelled body may re-apply for membership

- (d) The Executive Committee shall advise the Association of any member that has ceased to exist as a recognized securities exchange in its country of location and if any monies or other obligations are outstanding to the Association from such member, the Executive Committee shall take appropriate legal and other measures to recover such monies or secure the discharge of such obligations

## **GENERAL MEETINGS**

### **Annual General Meeting**

**9.**

- (a) The Association 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 (15) months shall elapse between the dates of one annual general meeting of the Association and that of the next.
- (b) The annual general meeting shall be held at such time and place as the Executive Committee shall appoint.

### **Extra-ordinary Meetings**

**10.**

- (a) All General Meetings other than Annual General Meetings shall be called extraordinary general meetings.
- (b) The Executive Committee may whenever they think fit, convene an extraordinary general meeting.

**Notice of Meetings**

**11.** An annual general meeting and a meeting called for passing of a special resolution shall be called by twenty-one (21) days' notice in writing at the least. A meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen (14) 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 specific resolution pertaining thereto shall be given to such persons as are, under the Articles of Association entitled to receive such notices from the Association.

Provided that a meeting of the Association shall notwithstanding that it is called by shorter notice than that specified in these Articles be deemed to have been duly called if it is so agreed;

- (i) In the case of a meeting called as the annual general meeting by all the members entitled to attend and vote thereat; and
- (ii) 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 representing not less than ninety five (95%) per cent of the total voting rights at that meeting of all the members.

**Who may receive notice of meetings**

- 12.**
- (a) Notice of every general meeting shall be given in any manner hereinbefore authorised to:-
    - (i) Every member who has supplied to the Association an address for the giving of notice to him/them; and
    - (ii) The auditor for the time being of the Association.
  - (b) No other persons shall be entitled to receive notice of general meetings.

**Accidental omission to give notice shall not invalidate meeting**

**13.** The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by, any person entitled to received notice shall not invalidate the proceedings at that meeting.





**President to  
preside**

**17.**

- (a) The President of the Executive Committee shall preside as the chairperson at every general meeting of the Association, or where there is no such President, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Deputy President shall be the chairperson of the meeting.
- (b) Where at any meeting no Deputy President of the Executive Committee is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their member to be the chairperson of the Meeting.

**Adjournments  
of  
Meetings**

**18.**

The President 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 (30) 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.

**Method of  
voting**

**19.**

- (a) Only a member in good standing with the Association may attend or vote at any meeting of the Association.
- (b) Every member shall have one vote.
- (c) At any general meeting a resolution put to the vote of the meeting shall be decided on poll or ballot or a show of hands. The President or any authorised representative of a member present may demand a poll before or on the declaration of the result of the show of hands.

(d) A declaration by the President that a resolution has on a show of hands been carried unanimously, or by a particular majority, or lost; and an entry to that effect in the book containing the minutes of proceedings of the Association 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.

**President's casting Vote**      20.

In the case of an equality of votes, the President of the meeting at which the show of hands takes place shall be entitled to a second or casting vote.

**Resolution in writing**      21.

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 as valid and effective as if the same had been passed at a general meeting of the Association duly convened and held.

**Member acting by representative**      22.

(a) Any member of the Association may authorize such person as it thinks fit to act as its representative at a meeting of the Association by informing the Secretary in writing of its nominated representative. Such nomination should be sent to the Association Secretary so as to arrive not later than 7 days before the date of the meeting.

(b) A person nominated to represent a member of the Association at a meeting shall be required to produce evidence of their identity and of such nomination at the meeting.

#### **ALTERATION OF ARTICLES**

**Articles**      23.

Alteration of these Articles from time to time may be made by Special Resolution (which shall have the same meaning assigned thereto as in the statutes) at a general meeting provided that such resolutions be passed by two thirds of the members present voting in favour of such resolutions.

**Rules and By-Laws 24.**

Rules and By-Laws of the Association may be created or deleted or modified or amended only by special resolution passed at a General Meeting.

**THE EXECUTIVE COMMITTEE**

**Number of  
Members on  
the Executive  
Committee**

**25.**

- (i) There is established a Board of Executive Members of the Association known as the Executive Committee, which shall consist of representatives of upto Eleven (11) Members, which Members shall be elected at an Annual General Meeting.
- (ii) There shall be a President and a Deputy President elected by the representatives to the Executive Committee from among their number after elections to the Executive Committee have been held. The Executive Committee shall then notify Members of the persons elected as the President and the Deputy President respectively.
- (iii) The elected Executive Committee Members shall be representatives of Member Exchanges from the five (5) African regions whereby each region shall have upto two (2) representatives. The representatives shall be a senior member of the respective exchange holding the position of either Chief Executive Officer (CEO) or Executive Chairman. The main regions of Africa; namely; Eastern, Western, Southern, Northern and Central Africa regions and the respective countries are shown in the map attached as Appendix 1 in this Articles of Association.
- (iv) An Executive Committee Member shall be re-elected for upto a maximum of four (4) terms of two (2) years each. Thus an ExCo Member, if re-elected, may serve upto a maximum of eight (8) consecutive years.
- (v) An Executive Committee Member once elected to the Executive Committee, a member shall represent the interest of the Association and not the interests of the respective Member Exchange.
- (vi) A president or a deputy president shall each serve upto a maximum of two (2) terms of two (2) years each provided the cumulative number of years served, including the years served as a member of Executive Committee, shall not exceed eight (8) years.
- (vii) A president and a deputy president must have served as an Executive Committee Member for at least two (2) years prior to being eligible for election as a president or a deputy president.

**Rotation of  
Executive  
Committee  
Members**

**26.**

- (a) At every general meeting, half ( $\frac{1}{2}$ ) of the Executive Committee Members for the time being shall retire from office. An Executive Member retiring at a meeting shall retain office until the conclusion of the meeting. The Executive Members to retire in every year shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected as Executive Members on the same day, those to retire shall be (unless they otherwise agree among themselves) determined by lot.
- (b) Subject to article 25 (d), a retiring Executive Member shall be eligible for re-election.

**Procedure of  
nomination of  
representatives  
to the  
Executive  
Committee**

**27.**

- (a) Any member of the Association shall be entitled to nominate one candidate as its representative to the Executive Committee. The nomination shall be made in writing, signed by the Proposer and deposited at the Registered Office of the Association not less than Seven (7) days before the date of the proposed Annual General Meeting accompanied by a declaration in writing from the Nominee indicating his willingness to be so elected.
- (b) For the purposes of this Article the Proposer and the Nominee must both be authorised representatives of members entitled to attend and vote at such meeting; which members must not be in arrears or otherwise have any money due and owing to the Association.

**Appointment and removal of alternates**

**28.**

- (a) An Executive Member may appoint as an alternate any other Executive Member, or any other person approved by a resolution of the Executive Committee.
- (b) An alternate may exercise the powers and carry out the responsibilities of the alternate's appointor, in relation to the taking of decisions by the Executive Members in the absence of the alternate's appointor.
- (c) An appointment or removal of an alternate by the alternate's appointor may be effected only by notice to the company or in any other manner approved by the Executive Committee.
- (d) Upon an Executive Member ceasing for any reason to be an Executive Member, any appointment of an alternate Executive Member made by him shall ipso facto be terminated.

**Rights and responsibilities of alternate Executive Members**

**29.**

- (a) An alternate Executive Member has the same rights as the alternate's appointor in relation to any decision taken by the Executive Committee.
- (b) Unless these articles specify otherwise, alternate Executive Members are:-
  - i) deemed for all purposes to be Executive Members;
  - ii) liable for their own acts and omissions;
  - iii) subject to the same restrictions as their appointors.
- (c) An alternate Executive Member must not be counted or regarded as more than one Executive Member for determining whether a quorum is participating or an Executive Member's written resolution is adopted.
- (d) An alternate Executive Member is not entitled to receive any remuneration from the company for serving as an alternate Executive Member.

**Re-  
imbursement of  
expenses**

**30.**

The Association shall repay to any member of the Executive Committee all such reasonable expenses as he may incur in connection with or about the business or management of the Association or may pay to such member such allowances as the Executive Committee thinks proper in respect of such expenses. Other than in respect of the foregoing, no member of the Executive Committee shall be entitled to any remuneration or salary by virtue of his office as an Executive Committee Member.

**POWERS AND PROCEEDINGS OF THE  
EXECUTIVE COMMITTEE**

**Business of  
Executive  
Committee**

**31.**

The business and affairs of the Association including the recruitment and dismissal of staff shall be under the direction of the Executive Committee and it may exercise all the powers of the Association.

**Meetings of the 32.  
Executive  
Committee**

- (a) Meetings of the Executive Committee shall be held as often as shall be found necessary and the Committee shall regulate their meetings as they think fit.
- (b) Questions arising at any meetings of the Executive Committee shall be decided by a majority of votes and in the event of an equality of votes, the President or the acting President shall have a second or casting vote.
- (c) An Executive Member who is also an alternate Executive Member has an additional vote on behalf of each appointor who is not participating in the Executive Members' meeting and would have been entitled to vote if he or she were participating in it
- (d) The Secretary, on the instructions of the President or in his absence, the Deputy-President or any three Executive Committee members shall at any time convene a meeting of the Executive Committee.
- (e) Notice of a meeting of the Executive Committee shall be given to all members of the Executive Committee and such notice shall be accompanied by an agenda of the meeting (unless such agenda be incorporated in the notice itself) and all documents or copies thereof as may be relevant to the meeting.
- (f) A resolution in writing signed or approved by letter, telegram, telex, fax, email, scanned or other electronic mail delivery system by all the members of the Executive Committee shall be as valid and effectual as a resolution passed at a meeting of the Executive Committee or, as the case may be, of such Sub-committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Executive Members or members of the committee concerned.





- |                         |            |  |
|-------------------------|------------|--|
| <b>Sub-Committees</b>   | <b>36.</b> | <ul style="list-style-type: none"> <li>(a) The Executive Committee may delegate any of its powers to sub-committees provided that at least two members of the Executive Committee are members of each of such sub- committees.</li> <li>(b) Any sub-committee when formed shall in the exercise of the powers so delegated conform to any directions that may be imposed on it by the Executive Committee.</li> <li>(c) The meetings and proceedings of such sub-committees shall also conform to any directions that may be imposed on them by the Executive Committee and in the absence thereof shall conform as far as practicable to the provisions herein with regard to the meetings and proceedings of the Executive Committee.</li> <li>(d) The Executive Committee may revoke the sub-committee wholly or in part or revoke or alter its terms and conditions</li> </ul> |
| <b>Experts</b>          | <b>37.</b> | The Executive Committee or an appointed Sub-Committee may co-opt or seek opinion from an expert or a panel of experts in any subject of its interest.  |
| <b>Management</b>       | <b>38.</b> | <ul style="list-style-type: none"> <li>(a) The Executive Committee shall establish a cost-effective and efficient management and administrative structure at the registered office of the Association.</li> <li>(b) For the more efficient transaction of the business of the Association, the member body of the country that nominated the current President of the Association, shall with the approval of the Executive Committee establish an appropriate administrative unit and place the same at the disposal of such President.</li> <li>(c) The Association shall subject to the approval of the Executive Committee, meet the costs incurred by the administrative unit.</li> </ul>   |
| <b>Borrowing powers</b> | <b>39.</b> | The Executive Committee may raise or borrow any sum or sums of money for the purposes of the Association and may secure the same in such manner as deemed fit.   |

**Signing of cheques, etc**

**40.**

The Executive Committee shall be entitled to open in the name of Association such Bank Account or Accounts as it considers necessary or prudent and shall be empowered in connection therewith to issue the necessary banking mandates and to make deposits and withdrawals of monies, issue cheques, drafts, promissory notes or other negotiable instruments which shall be signed, drawn, accepted endorsed or otherwise executed as the case may be in such manner as the Executive Committee shall from time to time by resolution determine.

**ACCOUNTS**

**Books of Account**

**41.**

(a) The Executive Committee shall cause proper books of account to be kept with respect to;

(i) all sums of money received and expended by the Association and the matters in respect of which the receipt and expenditure takes place;

(ii) all sales and purchases of goods by the Association; and

(iii) the assets and liabilities of the Association

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

**Where books of Accounts to be kept**

**42.**

The books of Accounts shall be kept at the Registered Office of the Association and shall always be open to the inspection of the Committee.



**Appointment  
and Duties of  
the Secretary**

47.

- (a) The Executive Committee may from time to time appoint and employ and at their discretion remove any individual as the Secretary of the Association (in these present called “the Secretary”) whose duty it shall be to keep all records and registers required by the statutes to be kept by the Association to record and maintain the minutes, to perform any other functions which by these presents are to be performed by the Secretary, and generally to execute all other duties which may from time to time be assigned by the Committee to the Secretary.
- (b) The right to appoint a secretary shall include the right to appoint Deputy Secretaries and Assistant Secretaries.
- (c) A Deputy Secretary shall act for the Secretary whenever delegated to do so

**THE SEAL**

**Affixing of the  
Seal**

48.

The seal of the Association shall not be affixed to any instrument except by the authority of a resolution of the Executive Committee and in the presence of any two members of the Executive Committee; or any one member of the Executive Committee and the Secretary; or such other persons as the Executive Committee may appoint for the purpose, and such members of the Executive Committee or member of the Executive Committee and the Secretary or other persons as aforesaid shall sign every instrument to which the seal of the association is so affixed in their presence.

**AUTHENTICATION OF DOCUMENTS**

**Power to  
authenticate  
Documents**

49.

Any member of the Executive Committee or the Secretary or Deputy Secretary shall have power to authenticate any documents affecting the constitution of the Association (including the Memorandum and Articles of Association) and any resolution passed by the Association and any books, records, documents and accounts relating to the business of the Association and also to certify copies thereof or extracts therefrom as true copies or extracts.

**DISPUTES, DOUBTS OR AMBIGUITY**

**Procedures of  
settlement of  
Disputes etc**

50.

- (a) In case of any dispute between members inter se or in the case of any doubt or ambiguity relating to the interpretation of the provisions herein contained or any clarification on any matters not covered by these presents, the Rules and By-Laws or the Code of Ethics or complaints or infringement by whomsoever made, the decision of the Executive Committee shall be final and conclusive.
- (b) In arriving at a decision under this Article, the Executive Committee shall as far as possible pursue the amicable resolution of any such disputes.
- (c) All disputes between a member and the Association which are not amicably resolved by the Executive Committee shall be settled by arbitration in Nairobi in accordance with the laws of Kenya. Any legal action howsoever arising by or against the Association shall be filed in Nairobi and determined in accordance with the laws of Kenya.
- (d) A member shall meet the costs incurred by the member in any proceedings under this Article.

**COMMUNICATION**

**Sending of Notices**

**51.**

- (a) A notice may be given by the Association to any Member or Executive Member either personally or by sending it by post in a prepaid letter or by telegram, telex, fax, email, scanned or other electronic mail delivery system addressed to such Member or Executive Member at his registered address supplied by him to the Association for the giving of notice to him.
- (b) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing preparing 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 twenty four hours after the letter containing the same is posted and service thereof shall for all purposes be sufficiently proved if that the cover containing the same was properly addressed, prepaid and posted. Where a notice is sent by telegram, telex, fax, email or other electronic mail delivery system it shall be deemed to have been served at the expiration of twenty four hours following the time when transmitted or sent.

**Electronic Communication**

**52.**

- (a) Any information or document that is required to be communicated under these Articles shall not be invalid or unenforceable by reason only of being in electronic form.

Provided that no person who uses, provides or accepts information or a document shall be required to use, provide or accept it in electronic form without the person's consent.

- (b) This Article is subject to any provision of law applicable to a member that expressly prohibits the use of electronic communication, or expressly requires communication to be in a specified form.

**WINDING UP**

**Prior Approval Required**

**53.**

No winding up or liquidation proceedings shall be initiated by any member of the Association except with the prior approval of the Executive Committee.

- Contributories 54.** If the Association shall be wound up every person who was a member within a period of twelve (12) months before such date, shall contribute to the assets of the Association for payment of the debts and liabilities of the Association contracted before the time at which he ceases to be a member, and of 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 not exceeding the sum of Kenya Shillings ten thousand (Kshs.10,000).
- Application of Clause 5 of the Memorandum of Association 55.** The provisions of Clause 5 of the Memorandum of Association relating to the winding up or dissolution of the Association shall have effect and be observed as if the same were repeated in these Articles.

#### **INDEMNITY**

- Indemnity to officers 56.** Save and except so far as the provisions of this Article shall be avoided by any provisions of the Act, the Executive Committee, the Secretary, Auditors and other officers including employees for the time being of the Association acting in relation to any of the affairs of the Association shall be indemnified and secured harmless out of the assets of the Association from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done, concurred in or omitted in or about in the respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default respectively.

#### **CERTIFICATE UNDER COMPANIES REGULATIONS**

This is to certify that the above Articles of Association have been produced by the method of XEROGRAPHY.

#### **ARTICLES OF ASSOCIATION REVIEWED BY:-**

Maonga Ndonge Associates  
Certified Public Secretaries (K)  
P O Box 73248 – 00200

*New Articles of Association Adopted by Special resolution passed on 19 November 2017*



NAIROBI.