

**THE REPUBLIC OF UGANDA
THE COMPANIES ACT NO.1 OF 2012
COMPANY LIMITED BY GUARANTEE AND NOT
HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
HOPE DANMARK (UG) LIMITED**

1. NAME AND PURPOSE

- a) The name of the Company is **HOPE DANMARK (UG) LIMITED** (hereafter called “the Organisation”).
- b) The Organisation is a private company limited by guarantee.

2. REGISTERED OFFICE

The registered office of the Organisation shall be in Kamuli town in Uganda. The Organisation may establish branch offices in any other place.

3. OBJECTIVES

The purpose of the Organisation is to provide assistance and support to its local and international partners in addressing civil society development in Kamuli and to network with other like-minded organizations and individuals to exchange ideas, experiences and techniques so that together they can build stronger communities.

4. LIABILITY OF MEMBERS

- a) The liability of members is limited by guarantee. The Organisation should at any given time have enough financial reserves to cover any expense in case the organization is dissolved.
- b) The Organisation or any member on behalf of the Organisation can in principle not obtain a loan on behalf of the Organisation. Only in case the Organisation has collateral up to a 100% to cover the full payment of a loan, a loan can be taken. Not at any given time can the Organisation be insolvent.

5. POWERS

For the purposes of carrying out the above objectives the Organisation may:

- a) Establish, participate or promote in establishing or promoting any company or organization, the establishment, participation or promotion of which shall be considered desirable in the interest of the Organisation.
- b) Generally to purchase, lease, hire or otherwise acquire any property, movable or immovable, or any interest therein and any rights or privileges which the Organisation may think necessary or convenient for the purposes of its Objectives.
- c) Subscribe to or become a member of any other association, foundation, or organization whether incorporated or not whose objects are similar to those of the Organisation.
- d) Enter into any arrangements with any Government or authority, supreme, municipal, local or otherwise, that may seem conducive, to the Organisation’s objects and to obtain from any such Government or authority any rights and privileges which the Organisation may think desirable.
- e) Co-operate with other organisations, voluntary bodies or make donations for charitable purposes in accordance with the objectives of the Organisation.

- f) Employ and remunerate such staff as are necessary for carrying out the work of the Organisation. The Organisation should at any given time strive to keep support and administrative staff to a minimum.
- g) Appoint an International Coordinator who has to be approved by the board of Hope Danmark (DK). The position should in principle be voluntarily and only expenses related to fulfilling the position will be reimbursed.

6. APPLICATION OF INCOME AND PROPERTY

- a) The income and property of the Organisation derived shall be applied solely towards the promotion of the objects of the Organisation.
 - I. A director is entitled to be reimbursed by the Organisation only by approval of a majority of the board members. A director can be reimbursed transport refund only when participating in planned board meetings, general meetings extra ordinary meetings and when appointed to represent the Organisation by a majority of board members.
 - II. Transport refund by use of own vehicle is refundable up to 1500UGX per kilometer driven from home to designated meeting point and back. Otherwise, the most appropriate means of public transport is refunded. Whenever possible, directors should in all cases seek to reduce the expenses of the Organisation.
 - III. The Organisation will not refund accommodation or other expenses in relation to the participation in board meetings.
 - IV. The Organisation may provide refreshments during planned meetings.
- b) None of the income or property of the Organisation may be paid or transferred directly or indirectly by way of dividends, bonus or otherwise by way of profit to any member of the Organisation. This does not prevent a member which is not a director receiving;
 - I. A benefit from the Organisation in the capacity of a beneficiary of the Organisation.
 - II. Reasonable and proper remuneration for any goods or services supplied to the Organisation based on marked value and agreed in writing by the Organisation.
 - III. Salary, NSSF, Consultancy fee and other compensations in accordance with the policies of the Organisation and the law of Uganda.

7. MEMBERS

- a) The subscribers to the memorandum are the first members of the Organisation.
- b) Membership is open to other organisations and individuals who:
 - I. Has a formal partnership agreement with Hope Danmark (DK).
 - II. Has a cooperation agreement with Hope Danmark (DK).
 - III. Is appointed by Hope Danmark (DK) and by the board of directors of Hope Danmark (UG).
- c) Membership is not transferable.
- d) The Organisation must keep a register of names and addresses of the members.

8. TERMINATION OF MEMBERSHIP

Membership is terminated if:

- I. The organisation ceases to exist or a member dies or
- II. The member resigns by written notice to the Organisation or the member is removed from membership by a resolution of the directors, in case it is in the best interest of the Organisation.
- III. A resolution to remove a member from membership may only be passed if the member has been given at least twentyone days' notice in writing stating the reason for the removal and the member has been allowed to make representation to the meeting.

9. GENERAL MEETINGS

- a) The Organisation must hold its first Annual General Meeting within eighteen month after the date if its incorporation.
- b) An Annual General Meeting must be held in each subsequent year. Not more than Fifteen months may elapse between successive Annual General Meetings.

10. NOTICE OF GENERAL MEETINGS

The minimum period of notice required to hold a general meeting of the Organisation is:

- I. Twenty one clear days for an annual general meeting or a general meeting called for the passing of a special resolution.
 - II. Fourteen clear days for all other general meetings. A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting.
- a) The notice must specify the date, time and place of the meeting and a clear agenda. If the meeting is to be an annual general meeting, the notice must say so.
 - b) Any member proposing an additional point for the agenda must deliver a notice in writing seven days before the meeting is scheduled.
 - c) The notice must be given to all the members and the directors.
 - d) The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the Organisation.

11. PROCEEDINGS AT GENERAL MEETINGS

- a) No business shall be transacted at any general meeting unless a qualified majority is present within thirty minutes from the time appointed for the meeting. A qualified majority is: "A minimum of 75% of members entitled to vote".
- b) In case that during a meeting a qualified majority ceases to be present;
 - I. The meeting shall be adjourned to such time and place as the directors shall determine.
 - II. If no qualified majority is present at the reconvened meeting within thirty minutes of the time specified for the start of the meeting the members present in person at that time shall constitute the qualified majority for that meeting.
- c) General meetings shall be chaired by the person who has been appointed to chair meetings of the directors.
 - I. If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting a director nominated by the directors shall chair the meeting.
 - II. If there is only one director present and willing to act, he or she shall chair the meeting.

12. VOTES OF MEMBERS

- a) Every member, whether individual or an organization shall have one vote.
- b) Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.

13. DIRECTORS

- a) A director must be a natural person aged 18 years or older.
- b) The number of directors shall be no less than three and is restricted to seven.
- c) The first directors shall be those notified to Companies House as the first directors of the Organisation.
- d) Hope Danmark (DK) shall appoint one director from the board of Hope Danmark (DK) to sit on the board of Hope Danmark (UG).
- e) The director appointed by Hope Danmark (DK) will automatically assume the role of the Chair of the Board of Hope Danmark (UG).

14. POWERS OF DIRECTORS

- a) The directors shall manage the business of the Organisation and may exercise all the powers of the Organisation unless they are subject to any restrictions imposed on the Companies Acts, the articles or any special resolution.
- b) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.
- c) Any meeting of directors at which a qualified majority is present at the time the relevant decision is made may exercise all the powers exercisable by the director.

15. RETIREMENT OF DIRECTORS

- a) A director is elected or appointed for two years. A director can be re-elected or re-appointed.
- b) The maximum length of a director to be in office is 8 years.
- c) If a director is required to retire at an annual general meeting by a provision of the articles the retirement shall take effect upon the conclusion of the meeting.

16. APPOINTMENT OF DIRECTORS

The Board of the Organisation may by ordinary resolution:

- a) Appoint a person who is willing to act to be a director; and
- b) Determine the rotation in which any additional directors are to retire.
- c) A director appointed by a resolution of the other directors must retire at the next annual general meeting and must not be taken into account in determining the directors who are to retire by rotation.
- d) The appointment of a director, whether by the Organisation, in a general meeting or by the directors, must not cause the number of directors to exceed any number fixed as the maximum number of directors.

17. DISQUALIFICATION AND REMOVAL OF THE DIRECTORS

A director shall cease to hold office if he or she:

- a) Ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director.
- b) Ceases to be a member of the Organisation.
- c) Becomes incapable by reason of mental disorder, illness or injury or managing and administering his or her own affairs.
- d) Resigns as a director by notice to the Organisation.
- e) Is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his or her office be vacated.

18. REMUNERATION OF DIRECTORS

The directors must not be paid any remuneration, unless it is described under point 6 in this constitution.

19. PROCEEDINGS OF DIRECTORS

- a) Meetings of directors are scheduled to four times a year. In principle meetings are pre-scheduled to:
 - Last Sunday in February (Annual General Meeting)
 - Last Sunday in May (General meeting of Directors)
 - Last Sunday in August (General meeting of Directors)
 - Last Sunday in November (General meeting of Directors)
- b) The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.
- c) Any director may call a meeting of the directors.
- d) The International Coordinator will act as the secretary to the board.

- e) A resolution or a point on the agenda shall be decided by a majority of votes. Any other matters arising at a meeting can be discussed as AOB and a formal decision can only be taken at the next planned meeting.
- f) In the case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.
- g) A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.
- h) No decision may be made by a meeting of the directors unless a qualified majority (75% of voting members) is present at the time the decision is scheduled to be made. "Present" includes being by suitable electronic means agreed by the directors in which a participant may communicate with all participants.
- i) A director shall not be counted in the qualified majority present when any decision is made about a matter upon which that director is not entitled to vote.
- j) If the number of directors is less than the number fixed as the qualified majority, the continuing directors may act only for the purpose of filling vacancies or of calling a general meeting.
- k) The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors.

20. DECLARATION OF DIRECTORS' INTERESTS

A director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Organisation or in any transaction or arrangement entered into by the Organisation which has not previously been declared. A director must absent himself or herself from any discussion of the directors in which it is possible that a conflict will arise between his or her duty to act solely in the interest of the Organisation and any personal interest including but not limited to any personal financial interest.

21. CONFLICTS OF INTEREST

If a conflict of interest arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorized by virtue of any other provision in the articles, the unconflicted directors may authorize such a conflict of interest where the following conditions apply:

- a) The conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organization or person.
- b) The conflicted director does not vote on any such matter and is not to be counted when considering whether a qualified majority of directors is present at the meeting and the unconflicted directors is present at the meeting, and the unconflicted directors consider it is in the interests of the Organisation to authorize the conflict of interests in the circumstances applying.
- c) In this article a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit or any nature to a director or to a connected person.

22. SEAL OR STAMP

If the Organisation has a seal or stamp it must only be used by the authority by the directors.

The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary (if any) or by a second director.

23. MINUTES

The directors must keep minutes of all:

- a) Appointments of officers made by the directors.
- b) Proceedings at meetings of the Organisation.
- c) Meetings of the directors and committees of directors including:
- d) The names of the directors present at the meeting.
- e) The decisions made at the meetings; and where appropriate the reasons for the decisions.
- f) All minutes shall contain date, time and place for the next planned meeting.

24. ACCOUNTS

- a) The directors must prepare for each financial year accounts as required by the law. The Accounts must be prepared to show a true and fair view and following accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.
- b) The directors must keep accounting records as required by the law.

25. MEANS OF COMMUNICATION TO BE USED

- a) Subject to the articles, anything sent or supplied by or to the Organisation under the articles may be sent or supplied in which the law provides for documents or information which are authorized or required by any provision of that law to be sent or supplied by or to the Organisation.
- b) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- c) Any notice to be given to or by any person pursuant to the articles:
 - I. Must be in writing; and
 - II. Must be given in electronic form.
- d) The Organisation may give any notice to a member: By giving it in writing and electronic form to the members address.
- e) Proof that an electronic form of notice was given shall be conclusive where the Organisation can demonstrate that is properly addressed and sent, in accordance with the law.

26. INDEMNITY

- a) The Organisation may indemnify a relevant director against any liability incurred by him or her in that capacity, to the extent permitted by the law.
- b) In this article a "relevant director" means any director or former director of the Organisation.
- c) The Organisation may indemnify an auditor against any liability incurred by him/her/it in defending proceedings (whether civil or criminal) in which judgement is given in his/her/its favor or him/her/ it is acquitted.

27. DISSOLUTION

- a) The members of the Organisation may at any time before, and in expectation of, its dissolution resolve that any net assets of the Organisation after all its debts and liabilities have been paid, or provision debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Organisation be applied or transferred in any of the following ways.
Directly for the Objects; or
 - I. By transfer to any Organisation or charities for purposes similar to the Objects; or
 - II. To any organisation or charities for use for particular purposes that fall within the Objects.
 - III. And is does not have a partnership or cooperation agreement with the Organisation. And never been a member of Hope Denmark (UG).
 - IV. Unless, it has been unanimously agreed to by Hope Denmark (DK) and Hope Denmark (UG) boards.

This constitution was adopted as the Constitution of Hope Danmark (UG) Limited.

NAME & ADDRESS

SIGNATURE

1. _____

2. _____

3. _____

WITNESS TO THE ABOVE SIGNATURES: -

SIGNATURE

NAMES IN FULL

OCCUPATION

POSTAL ADDRESS