

THE COMPANIES ACT (CAP .85)

**COMPANY LIMITED BY GUARANTEE AND
WITHOUT A SHARE CAPITAL**

AMENDED

**MEMORANDUM AND ARTICLES OF
ASSOCIATION**

OF

EASTERN AFRICAN FINE COFFEES ASSOCIATION (EAFCA)

THE COMPANIES ACT (CAP .85)

**COMPANY LIMITED BY GUARANTEE AND WITHOUT A SHARE
CAPITAL**

**MEMORANDUM OF ASSOCIATION
OF
EASTERN AFRICAN FINE COFFEES ASSOCIATION (EAFCA)**

1. The name of the Company is **EASTERN AFRICAN FINE COFFEES ASSOCIATION (EAFCA)**
2. The Registered office of the Association will be situated in the Republic of Uganda.

"We, the coffee growers, millers, scientists, agents, brokers, auctioneers, exporters, importers, roasters, retailers, professionals and other affiliated organizations and trade associations have joined together to form an Association aimed at achieving the objects listed below".

OBJECTS

3. The purpose of the Association is to establish and promote a network amongst those participating and having an interest in quality coffee production, processing, and marketing in the Eastern Africa coffee growing regions and other sub-regions in Africa, and to undertake by all lawful means the following:-
 - 3.1 To assist small holders and small holder producer organisations to increase the quality and value of their coffee production.
 - 3.2 To engage in promoting the production, processing, consumption and export of the finest quality coffee in Eastern Africa and other sub-regions in Africa.
 - 3.3 To promote sustainable production systems involving coffee and other tree crops in Eastern Africa and other sub-regions in Africa.
 - 3.4 To develop a network for exchanging information through education and training for professional and other participants of the coffee industry in Eastern Africa, and beyond, who share commitment to the production, processing, exporting and consumption of fine quality coffee.

- 3.5 To develop a strong, needs driven and market oriented regional organisation with activities organised, where possible, through coffee zones or national chapters.
- 3.6 To encourage the spirit of regional co-operation in the coffee industry and enhance the unified and unique character of the Eastern African coffee industry.
- 3.7 To open membership of the Association to the private sector associations, state regulatory bodies, growers association, individuals and organisations, who share common interests, in fine coffee qualities and excellence, in the wide coffee world.
- 3.8 To liaise with any organisations on matters relating to the promotion of the fine coffee industry, to inform all members of all such development, and to facilitate joint activities where considered appropriate.
- 3.9 To liaise with other coffee organisations and associations in the wider coffee world and improve linkages within the global coffee market.
- 3.10 To encourage sound business and professional practice, consciousness to the environment, and social and socio-economic issues related to the industry.
- 3.11 To provide arbitration services designed to provide expert and expedient settlement of coffee related disputes amongst the members and persons involved in coffee trading in the region.
- 3.12 To provide technical advice, consultation services, advice or any other services as may be incidental in furthering the principal objects of the Association.
- 3.13 To manage or co-ordinate any projects or programmes aimed at the development or promotion of coffee and other tree crops in the Eastern African region.
- 3.14 Borrow or raise money to carry out the objectives of the Association, which shall be applied for that purpose. The Association shall not borrow amounts that exceed the total funds at hand, and, the Board shall determine any borrowing transactions.
- 3.15 To obtain affiliation to regional, international bodies and institutions and to enter into memoranda of understanding, agreements or any other kind of activities aimed at achieving the objects of the Association.

- 3.16 To set up trusts, endowments and companies aimed at promoting the objectives of the Association.
- 3.17 To enter into partnership or any other arrangements for sharing profits, union of interest, cooperation, reception in concerns or otherwise with any person or person firm or firms or Association or cooperation carrying on or engaged in any business or transactions which the Association may deem capable of being conveniently carried on in connection with the above or calculated directly or indirectly or enhance the value of or render profitable any or the Association's property and/or whereby the Association would be benefited.
- 3.18 To invest the moneys of the Association not immediately required for its purpose in such investments or property as may be thought fit.
- 3.19 To carry out additional activities as may be deemed incidental or conducive to the attainment of the above objects or any of them.

Provided that: -

The Association is a non-profit organisation and it shall not engage in any activity, which is inconsistent with the public interest or with any laws enacted by the Government of Uganda.

4. The income of the association shall be applied solely towards the promotion of the objects of the Association as set forth in this memorandum of Association.

5. THE LIABILITY OF THE MEMBERS IS LIMITED

Every member of the Association undertakes to contribute to the assets of the Association in the event of the same to be wound up while the person is still a member, for payment of the debts and liabilities of the Association contracted before he/it ceases to be a member such amounts as may be required but not exceeding:-

- i) In the case of individual members Ugshs. 1,000/=
- ii) In the case of Organisations Ugshs. 2,000/=

We, the several persons whose, names, addresses and descriptions are hereunto subscribed are desirous of being formed into an Association in pursuance of this Memorandum of Association.

NOS	<i>NAME, POSTAL ADDRESS OF SUBSCRIBERS</i>	SIGNATURES OF SUBSCRIBERS
1	MR. TRESS BUCYANAYANDI P.O.BOX 7267 KAMPALA	
2	MR. WILLIAM NAGGAGA P.O.BOX 7267 KAMPALA	
3	MR. PAUL MUGAMBWA P.O.BOX 3181 KAMPALA	
4	MR. SIMEON ONCHERE 15/16 MARGARET STREET LONDON WIN 7LE	
5	MR. LESLIE OMARI P.O.BOX 732 MOSHI, TANZANIA	
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14	MR. SOLOMON RUTEGA P.O. BOX 21679 KAMPALA	
15	MR. ROBERT NSIBIRWA P.O. BOX 21679 KAMPALA	
16	MR. CHRIS BAINE P.O. BOX 22749 KAMPALA	

DATED AT KAMPALA, THIS day of July 2000

WITNESS TO THE ABOVE SIGNATURES:

SIGNATURE:.....

NAME IN FULL: IRENE MAKUMBI

OCCUPATION: ADVOCATE

ADDRESS: P.O.BOX 6497 KAMPALA, UGANDA

THE COMPANIES ACT (CAP. 85)
.....
COMPANY LIMITED BY GUARANTEE AND WITHOUT A SHARE CAPITAL
.....
ARTICLES OF ASSOCIATION
OF
EASTERN AFRICAN FINE COFFEES ASSOCIATION (EAFCA)
.....

1. APPLICATION OF TABLE “C”

The regulations in Table “C” in the First Schedule to the Companies Act Cap. 85 shall apply to the Association in so far as the same are not varied by or reproduced in these articles.

2. INTERPRETATION

In these articles if not inconsistent with the subject or objects the words standing in the first column of the following Table shall bear the meanings set opposite them respectively in the second column thereof.

WORDS:

MEANINGS:

The Act ... The Companies Act Cap. 85.

The Association ... Eastern African Fine Coffees Association (EAFCA)

These Articles ... These Articles of Association as originally framed or as from time to time altered by special resolution.

The office ... The registered office of the Association.

The Seal ... The Common Seal of the Association.

Save as aforesaid any words or expressions defined in the statutes shall bear the same meaning in the articles. The words importing the singular shall include the plural, words importing the masculine gender shall include females, and words importing persons shall include bodies corporate.

3. Office [Headquarters]: -

The Association shall establish and maintain a permanent address in Uganda, Kampala which, shall be the headquarters of the Association.

EAFCA may also open offices in foreign countries, for operational efficiency.

4. Membership: -

4.1 Membership shall be open to all organisations, individuals, sole proprietors, business firms, trade associations, growers associations, coffee boards, coffee authorities, coffee research centres, roasters, roaster – retailers, consumer groups, and regulatory bodies involved in coffee matters within Eastern Africa and the sub regions in Africa.

4.2 There shall be two categories of membership:

- Corporate membership
- Individual membership

EAFCA may introduce different categories of membership, if it so desires.

5. Restrictions against Commitments: -

Notwithstanding any general or specific powers granted to EAFCA by its charter, bylaws, Certificate of Incorporation, or the general Corporation Laws of Uganda, EAFCA shall not incur obligation or assume commitment, which involve the incurring of monetary liability or charges, to an amount exceeding the total of funds on hand, plus accrued receivables, and dues payable during that coffee year, at the rate then in effect.

6. Auctions and other Market Improvements: -

EAFCA will promote and engage in the development, establishment and implementation of modern, regional marketing infrastructure, in order to, amongst other things: -

- Increase the purchasing power of coffee growers
- Increase accessibility of the fine coffees from the region by buyers
- Promote the rewarding of coffee quality with premium prices
- Improve accountability, transparency and professionalism

7. Restriction against profit and activities inconsistent with public interest

7.1 EAFCA is a non-profit and non-political organisation. Moreover, no activity of the Association shall be conducted for the political, monetary or financial profit or gain of any of its members.

- 7.2 EAFCA shall not engage in any activity that is inconsistent with the public interest or with any laws of any participating country.

8. Use of the Association's name and LOGO or SEAL

There shall be a common seal bearing the name "Eastern African Fine Coffees Association".

The use of EAFCA's name and LOGO by a member is by permission only. The Board of Directors of EAFCA reserves the rights to amend withhold or withdraw permission as it sees fit.

9. Eligible voting members

- 9.1. All members who have paid in full, their dues for the current fiscal year, and who have no arrears, shall be deemed to be eligible voting members of EAFCA.
- 9.2 Each fully paid up member, regardless of category, will be entitled to only one vote.
- 9.3 Voting through a proxy is permitted.
- 9.3.1 The appointment of a proxy should be in writing and a copy should be sent to the Secretariat.
- 9.4 Any members may resign from EAFCA by giving written notice to the Board of Directors.
- 9.5 Any member, who has not paid his/her dues within six months of the due date, will be deemed to have resigned.
- 9.6 These bylaws constitute a binding legal agreement between EAFCA and its members. It may be supplemented by amendments or additions approved by the majority of the membership, on recommendation of the Board of Directors.
- 9.7 Each member of EAFCA agrees to be bound by these bylaws and any amendments thereto, and by the lawful action of the Board of Directors, or voting members of the Association.
- 9.7 Members absent during a meeting that requires a decision by vote, may provide their decision through electronic communication and/or through ordinary mail prior to the date of the meeting.

10. Meetings of the membership

- 10.1. EAFCA will hold an Annual General Meeting at a time and place chosen by the Board of Directors.
- 10.2. All general meetings other than Annual General meetings shall be called Extra-Ordinary General meetings. Such meetings may be called at the request of one-third of the membership or whenever the Board of Directors directs.

- 10.3. A Chapter and other committee groups are encouraged to meet at their convenience, throughout the year, at any place of their choice.
- 10.4. Quorum at member meetings.
One quarter of voting members shall constitute a quorum for transaction of the business at the General meetings.

11. ORDER AND PROCEDURE

The order and procedure of conducting the business of the Association shall be determined by the membership.

12. Annual dues

- 12.1. The Board of Directors, working through a special finance committee, may, from time to time, determine the annual dues payable, in USA dollars, to EAFCA by its members. The Board of Directors may designate the dues as payable on a coffee year or any other basis.
- 12.2. The Board of Directors may propose for approval by the eligible-voting members, a special assignment in excess of the annual dues, if needed to fund special purpose or projects.

13. Board of Directors

- 13.1. There will be a maximum of nine [9] directors elected every two years, by name, who shall represent all categories of membership, and a reasonable number coffee zones of Eastern Africa. The number of Directors may be increased at the discretion of the Board.
- 13.2. Director can stand for re-election.
- 13.3. The directors will elect from amongst themselves a chairman, vice chairman, secretary and treasurer, except that the vice chairman automatically succeeds to the Chairmanship, unless he or she fails to get re-elected the Board, in which case, the incoming Board will elect a new chairman. The term of all these positions is two years.
- 13.4. No director may serve more than two successive terms in any of the above named positions.
- 13.5. Any vacancies on the Board of Directors occurring between the elections shall be filled by appointment made by a majority vote of the Board of Directors. Any such elections shall expire at the next elections.
- 13.6. In the event any Director is unable to attend a Board meeting, the Director shall appoint an alternate director to represent him/her at the Board meeting.

14. Removal/disqualification of Directors

A Director shall be removed or disqualified on the following grounds:

- a) Engages in activities, which are outside the objects of the Association.
- b) becomes of unsound mind; or
- c) resigns his/her office by notice in writing to the Association,
- d) is voted out by a two third majority for misconduct or other reason that does not promote the activities of the Association.
- e) On failure to attend two consecutive Board Meetings.

15. FISCAL YEAR

- 15.1 EAFCA shall have a fiscal year, which is the same as a coffee year.
- 15.2 A coffee year starts on 1st of October and ends on 30th of September
- 15.3 The USA dollar shall be the official unit of account.

16. AUDIT

A full financial audit of the operations of the Association shall be conducted on an annual basis by an independent accounting firm recommended by the Board and approved by the members at a general meeting.

- 16.1 The Board of Directors shall appoint a competent audit firm on an annual basis.

17. THE SECRETARIAT

- 17.1 The Board of Directors shall appoint an Executive Director, herein also referred to as the ED, to serve as the Chief Executive Officer of the Association and the Secretary to the Board.
- 17.2 The ED shall be the Chief Executive officer of the Association. He or she shall appoint senior staff in accordance with regulations prevailing in the host country, and / or established by the EAFCA Board.
- 17.3 A mandatory retirement age of sixty years shall be taken into consideration in hiring staff of all categories.
- 17.4 In the performance of their duties, the ED and the staff shall not seek or receive instructions from any member, members or any authority external to the Association. They shall also refrain from any action, which might reflect badly on their position as officials responsible only to the Association.

18. INDEMNIFICATION

- 18.1 To the fullest extent permitted by the Laws of the host country , EAFCA shall indemnify and hold harmless, all agents, against claims arising out of any alleged or actual action taken in good faith, in the performance of

their duties. Agents, for this purpose shall include directors, officers, committee members and employees.

- 18.1 EAFCA shall have the right to purchase and maintain insurance to the fullest extent permitted by Law, on behalf of its agents, against any liability asserted or incurred by the agent, in such capacity,
- 18.2 arising out of the agent's status as such.
- 18.2 In any event, the personal liability of members of the Association, for any debts or obligations of EAFCA shall be limited to amount set out in the Memorandum of association.

19. COMMITTEES

The Board shall appoint committees to carry out such tasks as may be agreed upon by the Board and shall report to the General meeting on the performance of such committees.

Each Committee shall agree on its terms of reference, which shall be approved by the Board.

20. ARBITRATION

Any dispute between or involving any members of the Association shall be referred to an independent arbitrator(s) agreed upon by the parties. The parties may appeal against the arbitrator's decision in a court of law.

21. AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION

The memorandum and articles of association may be amended in whole or in part by the vote of at least one half of the members entitled to vote thereon.

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

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DATED AT KAMPALA, THIS day of July 2000

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