

**MEMORANDUM OF ASSOCIATION  
WSASASA MICRO FINANCE  
SHARE COMPANY**

**ARTICLE I  
ESTABLISHMENT**

Recognizing that economic growth and development of peasant farmers and others engaged in small scale production and services is dependent on easy access to and the availability of finance;

Understanding that the availability and easy access to such financing institution will enable the poor to generate income, self-employment and contributes to self-reliance;

Appreciating the legal ground set by the Licensing and Supervision of the Business of Micro Financing Institutions, Proclamation No. 40/1996 and the Commercial Code of Ethiopia we whose names, nationalities and addresses are described under Article II of this Memorandum of Association, have hereby established a Share Company which shall be governed by and in accordance with the Commercial Code of Ethiopia.

**ARTICLE II  
FOUNDING MEMBERS, NATIONALITIES, ADDRESSES AND SHARE HOLDINGS**

The founding members, nationalities, addresses and their share holding.

No.	Name	Nationalities	Address	No. of Shares	Subscribed amount in Br.	Paid up Amount in Br.
1.	Oromo Self Reliance Association (OSRA)	Ethiopian	Addis Ababa	400	40,000	40,000
2.	Ato Bekele Wolde Gariyo	"	"	270	27,000	27,000
3.	" Berhanu Disasa Doti	"	"	268	26,800	26,800
4.	" Berhanu Debele Abawayya	"	"	268	26,800	26,800
5.	" Tadhi Liban Nura	"	"	268	26,800	26,800
6.	" Terefe Beyene Rikitu	"	"	268	26,800	26,800
7.	" Tesema Yae Dulla	"	"	268	26,800	26,800
	<b>Total</b>			<b>2010</b>	<b>201,000.-</b>	<b>201,000.-</b>



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**ARTICLE III**  
**NAME OF THE COMPANY**

The name of the company is "WASASA MICRO FINANCE SHARE COMPANY".

**ARTICLE IV**  
**HEAD OFFICE**

The Head Office of the company shall be in Addis Ababa., Woreda 18 Kebele 41 House No. 377. The Company can establish branch offices as and when necessary in different Zones and Districts of Oromiya Regional State.

**ARTICLE V**  
**OBJECTIVES OF THE COMPANY**

The objectives of the company shall include the following:-

- 5.1 provide credit in cash and or kind to peasant farmers, women, youth, associations or cooperatives engaged in small and micro enterprise activity;
- 5.2 accept savings and deposits including time deposit;
- 5.3 perform transfer of payments within Ethiopia;
- 5.4 purchase financial instruments like treasury bills to generate income;
- 5.5 acquire, maintain and transfer movable and immovable property including residential premises for carrying out its business;
- 5.6 provide counseling services to clients;
- 5.7 encourage income generating projects for urban and rural small scale or micro operators;
- 5.8 render managerial, marketing, technical and administrative advice to borrowers and assist them in obtaining services in those fields;
- 5.9 stimulate domestic saving.
- 5.10 engage in other activities related to its objectives and are customarily undertaken by micro financing institutions.

**ARTICLE VI**  
**CAPITAL OF THE COMPANY**

- 6.1 The capital of the company is birr 201,000 (Two hundred one thousand Birr) the capital is fully paid up in cash.
- 6.2 The capital of the company may be increased by sale of additional shares.

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2

**ARTICLE VII**  
**SHARES**

- 7.1 The Company shall have 2010.- shares of the same class and each share shall have a par value of Birr 100.00.
- 7.2 Shares are issued and registered in the name of a shareholder. Bearer shares are prohibited.
- 7.3 Shares are indivisible and the minimum share to be held by a person shall be one share.

**ARTICLE VIII**  
**LIABILITY OF SHARE HOLDERS**

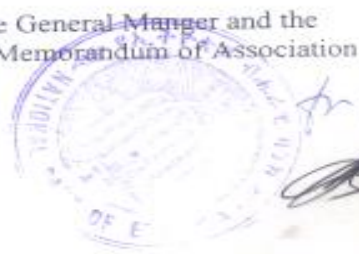
The liability of shareholders shall be limited to their respective shares in the company

**ARTICLE IX**  
**DISTRIBUTION OF PROFIT**

- 9.1 The net profit of the company shall be the net receipt as shown in the annual accounts after deduction of all expenses and charges.
- 9.2 From the net profit of the Company there shall be set aside:
- a. Twenty five percent (25 %) of the net profit which shall be transferred each year to the legal reserve fund until it amounts to fifty percent (50%) of the capital;
  - b. Five percent (5%) of the net profit shall be reserved for the remuneration of the Board of Directors.
- 9.3 Based on the decision of the General Assembly, the remaining balance of the net profit shall be distributed among the members in accordance with the number of shares paid for and possessed by each member.

**ARTICLE X**  
**THE ADMINISTRATION ORGANS OF THE COMPANY**

- 10.1 The company shall have the following organs of management:
- a. The General assembly of share holders,
  - b. The Board of Directors,
  - c. A General Manger
  - d. An Auditor.
- 10.2 The powers and duties of the General Assembly, the General Manger and the Auditor shall be as provided for under the law, the Memorandum of Association and the Articles of Association of the Company.



For [Signature] [Signature] [Signature] [Signature] [Signature]

**ARTICLE XI**  
**GENERAL ASSEMBLY OF SHARE HOLDERS**

- 11.1 The General Assembly is the supreme organ of the company.
- 11.2 The General Assembly shall have the power to decide upon all relevant policy matters.
- 11.3 Devise policies.
- 11.4 Appoint and dismiss members of the Board of Directors.
- 11.5 Amend this Memorandum of Association.
- 11.6 Examine and approve annual plans.

**ARTICLE XII**  
**POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

- 12.1 The Board of Directors shall consist of five members elected from among the shareholders of the company.
- 12.2 The first members of the Board of directors shall be:-
  - 1. **OSRA represented by Ato Bekele Wolde Gariyo**
  - 2. **Ato Berhanu Disassa Doti**
  - 3. " **Tadhi Liban Nura**
  - 4. " **Terefe Beyene Rikitu**
  - 5. " **Tesema Yae Dulla**
- 12.3 The term of office of the members so the Board of Directors shall be for a period of three years. A member whose service has expired may be eligible for re-election.
- 12.4 The Board of Directors shall be the organ that administers the affairs of the company next to the General Assembly.
- 12.5 Without prejudice to the general power vested in it in sub-article 12.4 of this article, the Board of Directors shall have the power to:-
  - a. Appoint the General Manager, remove him from power, determine his salary and allowance.
  - b. Approve the financial plan of the company
  - c. Decide on sale, purchase, and mortgage of the company's properties.
  - d. Issue directives on loan grants.
  - e. Call the meetings of the General Assembly
  - f. Decide on all policy matters concerning the affairs of the company when delegated by resolution of General Assembly
- 12.6 The Chairperson of the Board shall also chair the meetings of the General Assembly
- 12.7 Vacancies in the Board shall be filled by the share holders meeting

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[Signature]

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**ARTICLE XIII**  
**MANAGEMENT OF THE COMPANY**

- 13.1 The company shall be managed by a General Manager appointed by the Board of Directors.
- 13.2 The General Manager shall be responsible for the management of the Company
- 13.3 The General Manager shall perform other duties and responsibilities as per the authority delegated to him by the Board of Directors.
- 13.4 The General manager shall employ the required staff.

**ARTICLE XIV**  
**AUDITOR**

- 14.1. The Company shall have an external auditor appointed by the General Assembly.
- 14.2. The duties and responsibilities of the auditor shall be as prescribed under articles 373-380 of the Commercial Code.
- 14.3. The remuneration of the auditor shall be decided by the General Assembly.

**ARTICLE XV**  
**FINANCIAL YEAR AND REPORT**

- 15.1 The financial year of the Company shall be from January 1 to December 31 of each year. However, the first budget year of the company shall commence from the date of registration of the Company.
- 15.2 The company's report and auditors report shall be presented to the General Assembly of the shareholders within three months of the end of the budget year.

**ARTICLE XVI**  
**APPLICABILITY OF RELEVANT LAWS**

Any and all matters not explicitly dealt with in this Memorandum of Association and the Articles of Association shall be governed by the relevant provisions of the Commercial Code and other relevant laws, regulations and directives.

**ARTICLE XVII**  
**DURATION**

The company is established for an indefinite period of time unless liquidated for any of the reasons listed under article 495 of the Commercial Code.

We whose names and signatures appear in this Memorandum of Association have approved the Memorandum of Association on this \_\_\_\_\_ day of \_\_\_\_\_ in Addis Ababa.

*[Handwritten signatures and stamps]*

*[Circular stamp: Federal Democratic Republic of Ethiopia, Addis Ababa City Government, Documents Registration Office]*

*[Circular stamp: FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA]*


5


- | No | Name                        |
|----|-----------------------------|
| 1. | OSRA ( Bekele Wolde Gariyo) |
| 2. | Bekele Wolde Gariyo         |
| 3. | Berhanu Disassa Doti        |
| 4. | Berhanu Debele Abawaya      |
| 5. | Tadhi liban Nura            |
| 6. | Terefe Beyene Rikitu        |
| 7. | Tesema Yae Dulla            |

Signature

For ~~Bekele Wolde Gariyo~~ Bekele Wolde  
~~Bekele Wolde Gariyo~~ Bekele Wolde  
~~Berhanu Disassa Doti~~ BERHANU DISASSA  
~~Berhanu Debele Abawaya~~ Berhanu Debele  
~~Tadhi liban Nura~~ Tadhi Liban  
~~Terefe Beyene Rikitu~~ Terefe Beyene  
~~Tesema Yae Dulla~~ TESEMA YAE DULLA



  
 Federal Democratic Republic of Ethiopia  
 The Addis Ababa City Government  
 Acts & Documents Registration Office  
 Addis Ababa  
  
 NOS 169/49/2000  
  
 This is to certify that the above mentioned  
 person, has personally appeared and signed  
 in due form on this 02nd  
 day of August 2000

  
**YIRGA TADESSE**  
 Head of Acts and Documents  
 Registration Office

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 ADDIS ABABA CITY GOVERNMENT  
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