NATIONAL PAYMENTS SYSTEM PROVIDERS ASSOCIATION (UGANDA)

CONSTITUTION





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CONSTITUTION

OF

NATIONAL PAYMENT SYSTEMS PROVIDERS ASSOCIATION (UGANDA)

CERTIFIED TRUE COPY

PREAMBLE

We the National Payments Providers in Uganda –

NOTING that there are those occurrences that reasonably have the potential of affecting us indiscriminately, uniformly and detrimentally;

NOTING that in the past we have responded to and dealt with these occurrences individually;

AWARE of the benefits of acting in concert where such events occur;

COMMITTED to responding immediately and in concert whenever such events occur;

NOW THEREFORE WE THE NATIONAL PAYMENTS PROVIDERS OF UGANDA PROMULGATE THIS CONSTITUTION TO OURSELVES;

1.0 DEFINITIONS

In the interpretation of this Constitution, the following words shall, unless there is something inconsistent or repugnant to the subject or context, have the meaning respectively assigned to them:

a) **"Annual Budget"** shall mean the annual projected / estimated expenses of the association as approved by the Executive Council.

b) **"Association"** shall mean "The NATIONAL PAYMENT SYSTEMS PROVIDERS ASSOCIATION (UGANDA)"

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c) **"Auditor"** shall mean the Auditor appointed in accordance with Clause 10.1 (a) hereof.

d) **"Chairperson"** shall mean the Chairperson of the Association appointed by the Executive Council to take charge of the management of the Association.

e) **"Company"** shall mean a Company incorporated or registered under the Companies Act, Act 1 of 2012, Laws of Uganda as it may be amended from time to time.

f) **"Executive Council"** shall mean the Chief Executive Officers/Managing Directors of the National Payments Providers that are Members of the Association.

g) **"Financial Year"** shall mean the Accounting Year of the Association beginning from 1st January and ending on 31st December of that calendar year.

h) **"General Body"** shall mean the General Body of the Association comprised in the manner described in this Constitution.

"Group Company" shall mean all entities corresponding to a single Common Parent.

(i) A promoter shall be a body corporate and includes the companies that are undertaking to form this Association and to set it going, and which are responsible for reservation of the Association's proposed name, preparation of and subscribing to the original Constitution to form this Association;

a) a subsidiary or holding company of such body corporate;

b) a corporate body in which the promoter holds ten percent or more of the equity share capital or a body corporate which holds ten percent or more of the equity share capital of the promoter;

c) a corporate body in which a group of individuals or companies or combinations thereof which hold twenty percent or more of the equity share capital in that body corporate also holds twenty percent or more of the equity share capital of the issuer; and

(ii) All persons whose shareholding is aggregated for the purpose of disclosing in the prospectus under the heading "shareholding of the promoter group":

i) **"Member"** shall mean such person who is eligible to be a member of the Association and whose application for membership has been accepted in accordance with the Constitution and who has not ceased to be a member by virtue of any provision hereof.

j) **"Membership Charges"** shall mean the charges that all members are liable to pay periodically to retain their membership in the Association as prescribed by the Executive Council from time to time.





k) **"Constitution" or "Rules"** shall mean this Constitution and as amended by the Executive Council from time to time in accordance with the provisions hereof.

l) **"Secretariat"** shall mean the office and establishment of the Association functioning under the control and direction of the Chairperson comprised in the manner described in the Constitution.

m) **"Simple majority"** shall mean more than 50% of the membership entitled to vote;

n) **"Special majority"** shall mean at least 60% of the membership entitled to vote; computed on the basis of their weighted voting power as prescribed in Article 4.8 herein.

o) **"Vice Chairperson"** shall mean the Vice Chairperson of the Association nominated/elected in accordance with the provisions hereof.

2.0 NAME

The name of the Association shall be **NATIONAL PAYMENT SYSTEMS PROVIDERS ASSOCIATION (UGANDA)** hereinafter referred to as the 'Association".

3.0 OBJECTIVES

3.1 The objectives for which the Association is established are as follows:

a) To create a non-political forum for Payments Services Providers and Payments Systems Operators licensed by the Bank of Uganda.

b) To act as a single voice in representing the interests of its members.

c) To promote the interests of its members and to do all such lawful things as may be necessary to promote or protect, directly or indirectly, the interests of its members.

d) To promote and maintain a spirit of co-operation, support, and mutual goodwill between its members and to encourage and to promote just fair, legal and honorable practices and to discourage unlawful, dishonest and undesirable practices.

e) To form a centre of communication between its members and any central or local government, Government authorities or municipal authorities or other public authority in order to make all assistance and support given to the National Payments industry in Uganda as effective as possible.

f) To engage competent persons to carry out the objects of the Association and expend monies for such purposes and in furtherance thereof.

g) To provide for the formation and exchange of views on any question connected directly or indirectly with the objects of the Association.





h) To provide a framework through which matters of mutual interest to its members may be discussed with a view to resolving misunderstandings and areas of conflict.

i) To encourage and promote collective activities between its members designed to improve standards of National Payments Services.

j) To collect and circulate to its members' statistics and information and literature of interest to its members and to establish reference libraries and other for the dissemination of such information.

k) To cause to be written, and printed or otherwise reproduced and circulated, gratuitously or otherwise, periodicals, newsletters, magazines, books, leaflets or other documents or films or recorded tapes to advance the interests of its members.

l) To hold exhibitions, conferences, meetings, lectures, classes, seminars either individually or with each other and in this regard to build learning centres or such other premises as may be required by the Association from time to time in furtherance of its objects.

m) To foster and undertake research into any aspect of the objects of the Association and its work and to disseminate the results of any such research.

n) To accept subscriptions, donations, devises and bequests of and to purchase, take on lease or in exchange, hire or otherwise acquire and hold, any real or personal property, maintain and alter any of the same as are necessary for any of the objects of the Association and (subject to any consents as may be required by law) sell, lease or otherwise dispose of or mortgage any such real or personal property.

o) To borrow or raise or secure the payment of money for the purposes of performing any objects of the Association in such manner and on such terms as may seem expedient.

p) To issue appeals, hold public meetings and take any such other step as may be required for the purpose of procuring contributions to the funds of the Association in the shape of donations, subscriptions or otherwise.

q) To make any donation either in cash or assets for the furtherance of the objects of the Association.

r) To carry on any other activity whatsoever and to do anything of any nature which may, in the opinion of its members, be advantageously or conveniently carried on by the Association in connection with, or as ancillary to, or independently of any of its objects.

s) To do all such other things as are or may be deemed incidental or conducive to the attainment of any of the objects and the exercise of any of the powers of the Association.

3.2 The objects specified above shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise expressed in such clauses) by reference to or inference from the terms of any other rule or the name of the Association but may be carried out in full and ample manner and construed in as wide a sense as if each of those clauses defined the objects of a separate and distinct society.

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4.0 MEMBERSHIP

4.1 Eligibility

There shall be the following categories of members within the Association and their eligibility shall be as follows:

a) Member

A Company shall be eligible to apply to become a Member of the Association if it holds a valid Licence from Bank of Uganda to provide National Payment Services or operate a National Payment System.

4.2 Admission Procedure

a) Any company seeking admission as a Member of the Association shall make an application in writing to the Chairperson of the Association in the prescribed form.

b) The said application shall be duly signed and stamped by the applicant and shall be accompanied with:

I. The acceptance of an agreement to abide by this constitution;
II. The one-time entrance fee as prescribed by the Executive Council from time to time;
III. Such information as may be stipulated by the Executive Council from time to time.
IV. A copy of the license(s) issued by Bank of Uganda.

c) Such an application shall be reviewed by the Chairperson for eligibility and if satisfied then the Chairperson shall place the application before the Executive Council for its consideration and approval in the following meeting of the Executive Council.

d) For purposes of this section, no application shall be kept pending for more than 3 months.

e) In case the application is rejected, 1% of the entrance fee will be retained by the Association as processing fees, and the balance shall be refunded without interest.

f) The one-time entrance fee and the eligibility criteria shall be as prescribed by the Executive Council from time to time.

g) The Executive Council shall decide the acceptance/ rejection or otherwise of the applicant seeking admission as a member of the Association by "simple majority" and their decision in the matter shall be final and they shall not be bound to assign any reason for their decision.

h) Every member shall register with the Chairperson its corporate/registered address in Uganda. A member who wishes to change their registered addressed shall give notice to the





Chairperson of not less than 3 months. The notice of change of address shall be communicated to the members by the Chairperson.

4.3 Subscription

a) Every member shall pay the "annual membership charges" as per these rules and in the manner prescribed herein.

b) **Allocation**

Allocation of the membership charges" shall be determined by the members of the Association.

c) **Computation and Collection**

The computation and collection of membership charges" shall be on the basis of the amounts prescribed below. The same shall be subject to modification by the Executive Council.

Annual subscription fee payable by Members (subject to the modification by the Executive Council

Annual Subscription Fee: Start with UGX10,000,000 (Ten Million Uganda Shillings) per Member.

An annual budget is attached

d) **Invoice:**

I. The Association shall invoice "subscription charges. "Other charges" shall be invoiced as incurred.

II. All invoices issued for the payment of "membership charges" shall be paid within (30) thirty days from the date of receipt of the invoice.

e). The Executive Council shall approve the Annual Budget by the end of the calendar year or such extended period as the Executive Council may decide.

f) Where the budget is not approved by end of April in the next year, expenses shall be incurred based on the approved budget of the previous year.

g) The annual subscription fee paid by members shall be for that particular calendar year and shall be valid up to 31 December of the year of subscription. For avoidance of doubt, under no circumstance shall subscription be carried forward to the next calendar year.

h) In addition, the Executive Council may, whenever it thinks fit, from time to time fix as "other charges", such amount on all / such members, as it deems fit, to cover the costs of inter-alia, (but not limited to) litigation costs, advertisements, PR related activities, consultation fees,





special project based study, seminar / events, other special projects etc and such other activities as may be decided by EC from time to time.

i) "Other charges" shall also be allocated in the same proportion as "subscription charges" except as otherwise decided by the Executive Council depending on the relevant facts and circumstances and upon the request(s) of the members.

Revocation of Membership

a) The membership of any Member may be revoked by a "simple majority" of the Executive Council, if it has reason to believe that the Member is acting against the interest or objectives of the Association or that their conduct is detrimental to, or has harmed, or brought into disrepute the Association.

b) A member referred to in 4.4 (b) above shall be given (15) fifteen days' notice in writing to explain their point of view to the Executive Council, whereupon the Executive Council shall within (15) fifteen days thereafter take its decision to expel or not to expel the member. The decision of the Executive Council shall be final and binding.

c) Any such person, firm, company, corporation, association or other legal entity shall, thereafter, cease to be a member of the Association and cease to have the rights and privileges of membership.

d) Once the membership is revoked,100% of the annual membership fee, subscription fee and one-time entrance fee will be retained by the Association.

4.5 **Resignation**

a) Any Member may withdraw from the membership of the Association by giving (1) one month's notice in writing, to the Chairperson of his intention to do so and upon its acceptance thereof by the Chairperson. The Chairperson shall take his decision within (15) fifteen days of receipt of such notice. Such notice / resignation shall not absolve the member from paying the pending "membership charges" accrued as on the date of Chairperson's decision. There shall be no refund of "membership charges" that have already been paid.

b) Such notice period for the resignation can be waived or reduced at the discretion of the Chairperson.

c) Once the member resigns, 100% of the annual membership fee, subscription fee and one-time entrance fee will be retained by the Association.

4.6 Cessation of Membership

A Member shall ipso facto cease to be a Member of the Association, if;

a) The member resigns in the manner laid down in Article 4.5 above
b) The membership is revoked in the manner. laid down in Article 4.4. above.





c) The Member's license has been revoked or suspended by the Bank of Uganda.

d) the Member otherwise ceases to be eligible as a member of his category as defined under Article 4.1;

e) In the case of a Member being an individual, he dies, is adjudged as `insolvent', if he is found by a competent court on inquisition to be of 'unsound mind' or if he is convicted of an offence involving moral turpitude.

f) In the case of Member being a firm, it is dissolved, adjudicated insolvent is merged with any other entity; or the partner(s) thereof are convicted of an offence involving moral turpitude. Provided that a firm shall not cease to be a Member of the Association by reason only of a change caused by the death or retirement of a partner or partners or by reason only of a mere change in the name of the firm without affecting materially the composition of the partners of the firm.

g) In the case of Member being a company, body corporate or association, upon voluntary winding up or upon an order made by a competent court for winding up of the company, body corporate or Association or upon being adjudged as insolvent.

h) In case a member suffers from any disability, incapacity or disqualification as provided in these Rules.

i) Provided however, a firm, company, body corporate or association shall not cease to be a member of the Association upon any change being made in the conventional or corporate name of the firm, company, corporation or association.

j) A member whose membership charges shall be in arrears for a period exceeding (3) three months from the date of any invoice as aforesaid (first demand excluding reminders), such member shall cease to be member of the Association.

k) Notwithstanding Article 4.6 (k), where the defaulter company pays all its dues together with prevailing interest thereon within (30) thirty days from the end of the (3) three months' time period, then the membership of such member company will be restored on the date of payment.

l) Article 4.7 (k) shall not apply to a member who has defaulted before. For avoidance of doubt, every company shall have only one chance of restoration.

m) The Executive Council at its sole discretion, may readmit a defaulter company to the membership of the Association where the latter pays all its dues together with prevailing interest thereon after the expiry of the stipulated (4) four months.

4.7 **Re-admission**

a) In the event that a person ceases to be a member of the Association on account of any reason provided herein and/or has been expelled, such person may re-apply for membership upon rectification of the reason for which he ceased to be a member.

b) The readmission procedure shall be the same as the Admission procedure prescribed in Article 4.2.

c) Notwithstanding anything contained in Article 4.7 (b), the Executive Council may, at its sole discretion, waive the payment of entrance fee or part thereof and / or other unpaid dues from any person / entity applying for readmission, subject to such terms as the Executive Council may specify.

4.8 Voting Rights

a) The voting right of Members shall be on equal basis.

b) The Secretariat shall keep records of all votes and make them available to members on request.

4.9 Register of Members

The Secretary shall maintain a Register of Members of the Association containing the names and corporate / registered addresses of the Members and such other particulars as may be decided from time to time by the Executive Council. Such Register shall be open for inspection by the Members or their authorized representatives at the Registered Office of the Association during normal working hours by giving (1) one week's prior notice.

5.0 GENERAL BODY

5.1 Composition of and Representation on the General Body

a) The General Body shall consist of a Chairperson, Vice Chairperson, Secretary, Representatives of Members (two each).

b) Representation of the Members in the meetings of the General Body will be limited to the Chief Executive Officer/ Managing Director and one Senior Executive of the Member. Such individual delegate / nominee shall exercise all the rights of the Member as per Article 4.8, as amended from time to time, jointly and / or as authorized by the Member. Such member shall also be eligible to be nominated to the Executive Council as an Executive Councilor in accordance with these Rules.

c) A Member may from time to time withdraw the name / nomination of any such individual and nominate another individual in his place.

5.2 Powers of the General Body

a) The General Body of the Association shall be the final authority of the Association with respect to its powers provided herein.

b) The General Body may delegate all or any of their powers to the Executive Council / any Committee / Council, person, branch or body of the Association.

c) The General Body shall elect the Secretariat who shall be responsible for the day to day running of the Association

d) The General Body shall receive and consider the Annual report for the preceding year





e) The General Body shall consider and approve the budget of the Association for the next financial year.

f) The General Body shall determine the membership fees and subscriptions for the next year.

g) The General Body shall appoint or set up committees for special tasks or initiatives as the Association may determine and set out the terms of reference for such committee.

h) The General Body shall formulate or approve bye-laws or regulations formulated by the Secretariat or by Committee or Committees appointed hereunder.

i) The General Body shall consider and adopt the report of the Auditors and the statement of accounts of the Association for the previous year as submitted by the Council.

j) The General Body shall appoint auditors and fix their remuneration.

k) The General Body shall elect the Chairperson, Vice Chairperson for the ensuing year.

l) The General Body shall transact such other business as the Executive Council may deem necessary of which notice under directions of the Council (whose decision in that behalf shall be final and conclusive) shall have been given to the General Body.

m) The General Body shall conduct such other business as may be permitted by the Chair.

5.3 Meetings of the General Body

Meetings can either be convened physically or virtually depending on the **situation**

a) Annual General Meeting

The General Body of the Association shall ordinarily meet once in a year within the first four months of the year after the end of the last financial year.

The General Body shall in its AGM, transact the following business:

i. Consider and adopt the minutes of the previous AGM;

ii. Consider the Chairperson's report on the working of the Association;

iii. Consider and adopt the report of the Auditors and the statement of accounts of the Association for the previous year as submitted by the Executive Council;

iv. Appoint Auditors and fix their remuneration;

v. Elect the Chairperson, Vice Chairperson for the ensuing year;

vi. Transact such other business as the Executive Council may deem necessary of which notice under directions of the Council (whose decision in that behalf shall be final and conclusive) shall have been given to the General Body; and

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vii. Discuss any other business as may be permitted by the Chair.

b) Extraordinary General Meetings.

i. All General Meetings other than the AGM of the General Body shall be called Extraordinary General Meetings.

ii. An Extraordinary General Body Meeting may be called by the Chairperson or as the case may be by the Vice Chairperson, Chairperson or the Executive Council and it may also be called on a requisition signed by not less than two of the Members of the Association presented to the Chairperson for considering matters of an urgent nature.

iii. An Extraordinary General Meeting shall be necessary to do the following things

a) Amend or make any changes to the Constitution of the Association

b) Adopt new bye-laws or regulations

c) Consider an appeal from a member against termination of the membership

d) Any other matters that the Chairperson may feel is of sufficient importance justify consideration by EGM.

iv. The Chairperson shall call an Extraordinary General Meeting within (4) four weeks of the receipt of such requisition.

v. An Emergency Meeting may be convened at any time by shorter notice.

5.4 Notice of Meetings

a) Not less than (21) twenty-one calendar days' notice of an AGM & EGM shall be given to the members specifying the day, time and venue of the meeting along with a statement of the business to be transacted at the said meeting.

b) The notice of the AGM& EGM shall be given to the Executive Council, the members and the auditors.

c) The non-receipt of such notice will not invalidate the proceedings at any such meeting.

d) Any notice required by these Rules to be given to a member shall be deemed to be sufficiently served if sent by registered post / courier / fax / email properly addressed to his last known registered address in Uganda.

e) Each member shall give their updated contact details to the Association so that such notice is duly served.

5.5 Quorum for Meetings

a) For all purposes, the quorum for an Annual General Meeting shall be a simple majority of members entitled to vote (as per Article 4.8) present in person through their Representative as per Article 5.1 above. In an Extraordinary General Meeting a quorum

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of two (2) members entitled to vote through participation by any other authorized representative shall be sufficient, with the said authorization being communicated in writing in advance to the Association.

b) No business shall be transacted or concluded at any meeting, unless the requisite quorum is present at the commencement of business.

5.6 Chairperson of the General Body

The Chairperson or in his absence, the Vice Chairperson shall take the chair at the meetings of the General Body. In the absence of both the Chairperson and Vice Chairperson, the powers and duties of the Chairperson shall be exercised and discharged by one of the Members of the Executive Council nominated by the Chairperson or Vice Chairperson as the case may be or in their absence, the members shall, choose a person from amongst themselves who shall be the Chairperson of that meeting.

5.7 Adjournment of Meeting

a) If within (1/2) half an hour from the time appointed for the meeting, the quorum is not present, the Chairperson may with consent of the Members present at the meeting, or in exceptional circumstances without such consent, adjourn any 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 at which the adjournment took place.

b) If, at the expiration of (1/2) half an hour from the time appointed for holding such adjourned meeting, no quorum is formed, the meeting, if called upon the requisition of the members shall stand dissolved and in any other case the Meeting shall stand re-adjourned as Chairperson may determine and if at such re-adjourned meeting a quorum is not formed at the expiration of (1/2) half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called.

c) When a meeting is adjourned for (30) thirty days or more, fresh 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 notice of an adjournment or of the business to be transacted at any adjourned meeting.

5.8 Voting

a) Unless otherwise stated herein, the decisions of the General Body shall be taken by a "simple majority" of votes of the Members eligible to vote and each member shall be entitled to vote as provided in Article 4.8 above.

b) On a poll every member whose name appears in the Register of Members (as a Member) and who is not otherwise ineligible shall have voting rights as per Article 4.8, as amended from time to time.

c) In case of a stalemate in the votes, the Chairperson or as the case may be the Chairperson of the meeting, shall have one casting vote in addition to the vote(s) he has as a Member.





6.0 EXECUTIVE COUNCIL

a) The general management and control of the Association shall be vested in the Executive Council or their appointed nominees.

b) The Executive Council shall have the authority and power to deal with and decide on all matters of policy and procedures relating to the Association, including matters of administration, Secretariat finances, offices, etc.

c) The Executive Council shall consist of the Chief Executive Officers/ Managing Directors of the Members.

6.1 Representation in the Executive Council

a) Each Member shall be entitled to have a representation in the Executive Council and shall be entitled to appoint one person as Executive Councilor. Each member shall also be entitled to appoint an alternate Executive Councilor who shall be entitled to participate in the Executive Council proceedings in the absence of primary Executive Council and shall be entitled to exercise all rights and privileges of the Executive Councilor.

b) The tenure of the Executive Councilors shall be from the date of their appointment at the AGM to the next AGM;

c) The member(s) is entitled to re-appoint the same person in the following Executive Council.

d) In case of a person ceasing to hold his office with the member company for any reason, the member company shall be entitled to appoint another person in his place. Further, the member company shall be entitled to withdraw its Executive Councilor and appoint another person in his place at any time during the tenure of the Executive Council.

e) In case a member company fails or delays to appoint its representative to the Executive Council, the decisions taken by the Executive Council shall not be held defective.

f) The Chairperson may from time to time, in addition to the appointed Executive Councilors, invite other representatives of the Members or officials of the Secretariat or nominate such other persons who are expert or an authority in the field of Mobile Money in Uganda and / or abroad to be a nominee Executive Councilors for such period(s) as the Chairperson may deem fit. Such Executive Councilors shall not be entitled to vote in any meeting of the Executive Council or any of its Committee / Sub – Committee meetings.

6.2 Powers of the Executive Council

The Executive Council shall be empowered to:

a) Appoint of the Chairperson and Vice Chairperson of the General Body to look after the conduct / affairs of the Association on such terms of emoluments etc. as it may think fit.

b) Decide as regards matters to be taken up with the Bank of Uganda or any other Regulatory Body or any Government Ministry or any other competent authority or entity.





c) Decide as regards matters to be taken up with the Courts / Tribunals / / other judicial bodies and other Industry Associations/ bodies.

d) Decide as regards the financial budget or any decision having financial implications.

e) Elect suitable replacement(s) as per eligibility and procedure prescribed in the event of permanent non-availability of a Chairperson/ Vice Chairperson of the General Body, on account of health/ unforeseen circumstances.

f) Take up and decide any other important matters.

g) Make such bye-laws, rules and regulations as may be deemed fit by the Executive Council. The Executive Council shall be the sole authority for the interpretation of such bye-laws, rules and regulations as amended from time to time, and the Executive Council's decision thereon shall be final and binding on the members.

6.3 Meetings of the Executive Council

The Executive Council shall ordinarily meet at least (4) four times in a year (once in every quarter of a calendar year);

i. The Executive Council members will use their best endeavors to attend Council meetings; they will be expected to participate fully, candidly and constructively in all council discussions and other activities to bring the benefit of their particular knowledge, skills and abilities to the Council.

ii. Executive Council Members who are unable to attend any scheduled council meeting shall inform the Chairperson at the earliest date, and advise in writing to the secretary the reasons why they are unable to attend.

iii. Should there be any documents to be discussed in any scheduled meeting, the Secretary shall share the same with the Executive Council Members at least 1 week (7 calendar days) prior to the Executive Council meeting.

iv. Members who may have items to be added to the agenda for the meeting shall forward the same to the Secretariat not less than 2 weeks (14 calendar days) prior to the Meeting. No items received outside that window shall be added to the agenda unless, in the opinion of the Secretariat, such matters will have adverse effect to the entire Association membership if not discussed urgently.

6.4 Quorum for Meetings

The quorum for the meetings shall be a simple majority of members entitled to vote.

6.5 Chair

The Chairperson or in his absence, the Vice Chairperson shall take the chair at the meetings of the Executive Council. In the absence of both the Chairperson and Vice Chairperson, the powers and duties of the Chairperson shall be exercised and discharged by one of the Members of the Executive Council nominated by the Chairperson or Vice Chairperson as the case may be or in

their absence, the Councilors of the Members present, shall choose a person from amongst themselves, who shall be the Chairperson of that meeting.

6.6 Voting

a) All decisions of the Executive Council shall be taken by a simple majority unless otherwise provided herein.

b) In case of a stalemate in the votes, the Chairperson or as the case may be the Chairperson of the meeting, shall have (1) one casting vote, in addition to the vote(s) he has as a Member.

c). The resolutions of the Executive Council can also be passed by circulation.

6.7 Minutes of the Meeting

The Executive Council must confirm the minutes of the previous meeting and determine the status of the action points from the previous meeting.

6.8 Members' Code

All members must work towards the interests and objectives of National Payments System Providers Association (Uganda) and their actions should be in the overall interest of the Association as ratified by the Executive Council and General Body.

6.9 Media Representation

Only the Chairperson, Vice Chairperson and any other member nominated by the Chairperson are empowered / authorized to make any statement to the media on behalf of the Association.

6.10 Industry Representation

Any interaction with the Government and other agencies should be at the sole discretion of The Chairperson and/or any Senior Representative(s), whether from the Executive Council or otherwise, authorized by the Chairperson in his sole discretion, are empowered / authorized to hold such interactions/representations in the overall interest of the Association. No individual member is authorized to make any representation on behalf of the Association.

7.0 CHAIRPERSON OF ASSOCIATION

a) The Chairperson shall be selected from among the nominees or delegates of the Members by the General Body in its AGM.

b) The Chairperson shall ordinarily be elected by the Executive Council.

c) The tenure of Chairperson shall be 2 years from the date of the AGM that appoints him/her to the next AGM after expiration of his/her term. The Chairperson may offer himself /herself for re-election but the total term of a single chairperson shall not exceed 4 years.





d) The Chairperson shall preside over the meetings of the General Body and the Executive Council. In his absence, the Vice Chairperson will so preside. In the absence of both Chairperson and Vice Chairperson the Executive Council / General Body shall, by simple majority, choose one of its individual members to preside over such meeting(s).

e) The Chairperson is empowered to speak or represent on behalf of the Association on such subjects as he may deem fit, and the same shall be taken to represent the views of the Association.

g) The Chairperson shall also, at any time when he shall deem fit, communicate to the Association or to the Council such matters and make such suggestions as may, in his opinion, tend to promote and increase the usefulness of the Association and shall perform such other duties and functions as may be incidental to the office of the Chairperson.

h) In addition to the above responsibilities, the Chairperson shall also be responsible for:
   i. presiding over General Meetings and Extraordinary General Meetings and any other ordinary meetings and for this purpose and subject to these presents, he shall have the power to convene meetings
   ii. The Chairperson shall have the overall responsibility for overseeing the work of the Secretariat.
   iii. Shall generally ensure the observance of this Constitution

8.0 VICE CHAIRPERSON

a) The Vice Chairperson shall be elected from among the nominees or delegates of the Members by the General Body in its Annual General Meeting.

b) The Vice Chairperson shall ordinarily be elected from amongst the Chairpersons, Managing Directors, or Chief Executive Officers of Members that are in good standing vis-à-vis the Constitution of the Association.

c) The tenure of Vice Chairperson shall be from AGM to AGM. The Vice Chairperson may offer himself for re-election.

d) The Vice Chairperson, in the absence of the Chairperson, shall have the power to perform the duties of the Chairperson. In the absence of both the Chairperson and Vice Chairperson, the powers and duties of the Chairperson as also the Vice Chairperson, shall be exercised and discharged by one of the Members of the Executive Council nominated by the Chairperson or Vice Chairperson as the case may be or in their absence, as elected by the Executive Council.

e) In addition to the above responsibilities, the Vice Chairperson shall also be responsible for:
   i. Providing inputs, recommendations and advice on strategy matters to the Chairperson / Executive Council on the Associations activities.
   ii. Coordinating and overseeing the Association's or industry's participation in all external events, viz. International seminars and exhibitions by renowned international bodies.
   iii. Increasing the corpus of the Association and managing the finances of the Association at a macro level.





iv. Increasing the scope of association activities and improving focus and improving facilities for the members.
v. Any other duties that are assigned to him by the Chairperson.

9.0 TREASURER

The Treasurer of the Association shall be elected by simple majority vote of the General Body and shall have the following functions and responsibilities.

a) The Treasurer shall be a certified accountant and responsible for the Association's accounts,
b) The Treasurer shall receive all monies due to the Association and issue official receipts for the same and, subject to directions of the General Body make payments on behalf of the Association in accordance with the sanctioned estimates, obtaining proper discharge for such payments;
c) To keep proper books of accounts and submit them for audit by the External Auditors appointed by the Association
d) To submit audited accounts and audit reports to the Annual General Meeting
e) To prepare yearly statements of accounts including the balance sheet and profit and loss account and cash flow statements
f) To recommend to the Executive Director for approval by the Annual General Meeting the subscriptions to be paid by the members for the ensuing year
g) To submit an up to date list of paid up members and defaulters from time to time as determined by the Members
h) Together with the Chairperson and the Secretariat, if so directed by the Association, maintain bank account(s) necessary for the proper running of the finances of the Association, and to pay into such account(s) all moneys received by the Association
i) To send reminders and take other necessary steps regarding payment of fees and arrears where applicable
j) To prepare for the Secretariat the annual budget projections of income and expenditure of the Association for consideration and approval by the Annual General Meeting.

10.0 SECRETARY

a) The Secretary shall deal with all the correspondence of the Association. The Secretary shall issue notices convening all meetings of the Executive Committee and all General Meetings and shall be responsible for keeping minutes of all such meetings and for the preservation of all records of proceedings of the Association and of the Executive Committee.

b) Ensuring that the applicable rules and regulations for the conduct of the affairs of the Executive Council are complied with.

c) Availing Executive Council Members with information relating to the Association as maybe required.

d) Providing the Executive Council with detailed guidance as to how their responsibilities should be properly discharged in the best interest of the Association.





11.0 COMMITTEES

a) The General Body may from time to time constitute such Committees / Sub-committees as may be required to carry out day to day functions and other specific tasks.

b) The Committee / Sub Committee shall be headed by a Senior Representative of the Member Company elected by the members of the Committee / Sub Committee. The members of the Committee may elect any person amongst themselves as the ex-officio Secretary to the Committee.

c) The Heads of the Committees / Sub-Committees shall be elected on a rotational basis. Every member company shall be given an opportunity to Head a Committee or Sub-Committee through its representative, unless that right is waived by the representative.

d) All Heads of the Committees / Sub-Committees shall report on the functioning of the Committee to the General Body.

e) A Committee / Sub Committee shall be wound up by the General Body, when any specific task assigned to it has been completed and a report in respect of the same has been submitted.

f) The Chairperson, Vice Chairperson shall be permanent invitees on all Committees / Sub-Committees

g) The members of the Committee may elect any person amongst themselves as the Ex-officio Secretary to the Committee.

12.0 ELECTIONS

At the conclusion of every AGM, the Chairperson, Vice Chairperson and all the members of the Executive Council shall retire and will be succeeded by a new team.

12.1 Nomination of Candidates

a) The Chairperson shall ascertain from each Member at least (4) four weeks prior to the holding of the AGM, nominations for its representatives (who are qualified for the purpose) for election as Chairperson or Vice Chairperson. However, such time period can be waived / reduced at the discretion of the Chairperson. The Chairperson shall also ascertain the mode of election preferred by the respective Members, if need be.

b) The Member companies nominating their representatives for the aforesaid positions / posts shall state the name of the person and the position for which he is being nominated and shall declare that he is qualified for the purpose under the rules. The statement / declaration / nomination is to be signed by an authorized representative of the Member company. Every nomination shall be supported by a declaration signed by the candidate that he has given his consent to the nomination. A candidate shall not give his consent to more than (1) one nomination. If consent is given to more than (1) one nomination, all the nominations will be treated as invalid.





c) Such statement / declaration / nominations shall be sent within (10) ten days by the members.

d) The nomination papers and the declaration by the candidate shall be sent to the Chairperson of the Association so as to reach him at such address as may be mentioned by him.

12.2 Scrutiny of Nominations

Prior to the holding of the AGM, the Executive Council shall appoint a person / persons to scrutinize the nomination papers received from members. Such person(s) may reject such nominations that in his / their opinion are invalid. If no such person(s) be appointed by the Executive Council, the Chairperson of the Association shall be deemed to be so appointed with powers to scrutinize the nomination papers and reject such of the nominations as in his opinion are invalid.

12.3 Withdrawal of Nominations

A candidate nominated by a Member for election as Chairperson or Vice Chairperson or to the Executive Council may withdraw his candidature by intimation addressed to the Chairperson and delivered to him before 5:00 PM on the day before the day of the Annual General Meeting.

12.4 Election of Candidates

a) If the nominations submitted are less than the stipulated number in each category, the nominees automatically stand elected for the ensuing year.

b) If the nominations (as per Article 12.1.) are in excess of the numbers stipulated, then the Chairperson shall issue a notice for Elections, not less than two weeks before the Annual General Meeting to all the members embodying the names thus submitted.

12.5 Method of Voting

Voting shall be either by show of hands or secret ballot. Voting may be by proxy with appropriate notice in a prescribed format as may be determined by the Executive Council.

12.6 Declaration of Results

a) The result of the election shall be declared at the AGM.

b) The persons so declared as elected shall function in spite of any irregularity in the election until such irregularity is established as hereinafter provided.

12.7 Objections to the Elections

a) Any objection to the procedure or process of elections, eligibility of votes or candidates or Members, etc., shall be raised:

i. With respect to candidature or eligibility of votes / members – at the commencement of the Annual General Meeting.





ii. With respect to process or procedure – at the commencement of the respective process or procedure.

iii. In any other case – immediately on the irregularity having been noticed.

b) No objection(s), except as aforesaid, shall be entertained.

c) All objections shall be taken note of by the Annual General Meeting and decided upon by a "simple majority" as per Clause 2.8 as amended from time to time, failing which the Chairperson of the Meeting shall decide such issues and such decision shall be final and binding.

13.0 FUNDS / INVESTMENTS

13.1 Sources of Income

Source of income of the Association shall be from admission fees, subscription charges, donations, contributions, grants, seminars, publications and other scientific and educational activities and such other compatible sources.

13.2 Appropriation of Funds / Income

a) The funds, income and property of the Association, however derived, shall be applied solely for the promotion of its objects as set forth in the Memorandum.

b) No portion of the funds, income or property aforesaid shall be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise by way of profit, to persons who at any time, are or have been members of the Association or to any one or more of them or to any persons claiming through any one or more of them.

c) True accounts shall be kept of the sums of money received or expended by the Association and the matter in respect of which such receipt and expenditure takes place, and of the property, credits and liabilities of the Association and subject to any reasonable restriction as to time and manner of inspecting the same that may be imposed in accordance with regulations of the association for the time being, shall be open to the inspection of members. Once at least in every year the accounts of the Association shall be examined, and the correctness of the balance sheet ascertained by one or more properly qualified auditor or auditors.

d) The Chairperson shall cause to be prepared and submitted yearly Budgets of the Association to the Executive Council for its approval together with a summary of expenditure for the previous year.

13.3 Bank Account and Spending Powers

a) The Chairperson, Vice Chairperson, Treasurer and Secretary will be the Principal Signatories to the bank accounts of the Association. These will be categorized by the Executive Council as A and B and their mandate shall be joint (signatories from the same category shall not sign together (for instance A and A cannot sign together, nor can B sign

with B therefore A must sign with B). The account (s) shall be opened in a Scheduled Bank.

b) The Executive Council may from time to time lay down the maximum limits of the spending powers of the said persons who operate the Bank accounts.

14.0 AUDIT AND ACCOUNTS

14.1 Appointment of an External Auditor

a) The General Body shall appoint an Auditor or Chartered Accountant to audit the accounts of the Association.

b) The Chartered Accountant shall have the following functions and responsibilities

i. Evaluate the reliability if the information produced by the accounting and computer systems
ii. To provide an independent appraisal system / function
iii. To ensure compliance with the Laws, policies and operating instructions
iv. To certify annual financial statements and returns produced by the Honorary Treasurer
v. To generally advise the General Body on any current and future matters of interest to the Association
vi. submit his report to the General Body through the Chairperson / any other official of the Association. The Chairperson / Accounts Division of the Association shall provide all necessary books of accounts and cooperation to the auditor for the purpose.

c) The Accounts of the Association shall once at least in every year be audited by the Chartered Accountant / Auditors appointed under Section12.1 (a) above.

14.2 Annual Report and Accounts

a) The Annual Report of the Association shall be placed before the AGM for information to the members.

b) The Accounts of the Association shall be audited by the Auditor of the Association and the same shall be placed before the AGM for approval.

15.0 RECORDS AND DOCUMENTS

a) In addition to the Register of Members hereinbefore referred to the Executive Council shall keep or cause to be kept properly entered up:

i. Books of Accounts showing particulars of all receipts and payments and the assets and liabilities of the Association.

ii. Minutes of meetings of the Association.





b) The books of accounts of the Association shall be open to the inspection of the Member through an authorized representative, at the Registered Office of the Association during such hours as the office of the association remains open on any weekday excluding holidays by giving one week's prior notice. Such inspection shall not be more than once, per member per year.

16.0 LEGAL PROCEEDINGS

The Association may sue and be sued and any suits, cases, processes, proceedings, etc., as also all pleadings or other documents, etc. in connection therewith may be initiated, pursued, instituted, signed, verified, amended, filed, received etc by the authorized signatory through the Power of Attorney on behalf of the Association i.e., the Chairperson or such other person as may be determined by the Executive Council from time to time. Such authorized signatories shall appoint / engage such advocates / professionals as he may deem fit for the said purposes and carry out such other functions as may be incidental or ancillary to the above functions.

17.0 THE SEAL

a) The Association shall provide for a Seal and for its Safe Custody.

The Seal of the Association shall not be affixed to any instrument except in the presence of the Chairperson / Vice Chairperson /Secretary.

18.0 INDEMNITY

The Executive Council and the office bearers / officers and staff of the Association shall be indemnified in respect of each and all acts done by them / Members, jointly or/and severally, for the Association in good faith and no office-bearer or members of the Association / Executive Council shall be liable for any act done by another office-bearer or member of the Executive Council / Association.

19.0 ALTERATION OF MEMORANDUM AND RULES

These Rules shall not be altered, varied, modified, remade, rescinded, cancelled, or added to without the sanction of the Executive Council of the Association passed by" special majority" of the weighted voting power of the members entitled to vote.

20.0 DISSOLUTION AND ADJUSTMENT OF AFFAIRS

a) The Association may be dissolved by a Special General Meeting of the Association convened on the recommendation of the Executive Council or on the requisition of not less than three fifths of the members and the meeting to dissolve the Association must be composed of not less than (3/5) three fifths of the members of the Association and the resolution upon the dissolution shall not be effective unless passed by majority consisting of three fifths of the votes of the members present and entitled to vote and voting at such special general meeting of the Association. Provided that if any Government is a member

of, or a contributory to, the Association, it shall not be dissolved without the consent of the Government.

b) The resolution passed under sub-Article (a) above hereof may direct that if upon the dissolution of the association there remains after the satisfaction of all debts and liabilities of the Association any property whatsoever the same shall not be paid to or distributed amongst the members of the Association but shall be given or transferred to some other society, institution or institutions having objects similar to the objects of the Association to be determined by the members of the Association at the aforesaid Special General Meeting.

c) If the Association shall be insolvent, the liability of the members, who were members on the first day of preceding the commencement of winding up shall be limited to contributing towards the deficit to the extent of the year's annual subscription payable by them and if the same shall be a surplus available for distribution it shall subject to sub-Article (b) of this Section be shared amongst the members at the date of commencement of winding up in the same proportion.

21.0 RECONSTRUCTION

If the Association shall by special resolution approve any scheme of reconstruction or amalgamation, the whole or any part of the assets may be transferred accordingly as per the applicable law.

22.0 CONFIDENTIALITY

The members (including authorized representatives of the members companies) shall not reveal to any person any of the communications with the association, dealings or information concerning the association, business finances or affairs of the Association which come to their knowledge during the membership tenure and shall keep with complete secrecy all confidential information entrusted to the members and shall not use or attempt to use any information in any manner and that this restriction shall continue to apply even after the termination of membership without limit in point of time.

23.0 DISPUTE RESOLUTION AND CONFLICT OF INTEREST

a) The Members shall endeavor to resolve any disputes that may arise between them amicably.

b) If and whenever any difference shall arise between the Association and any members or their respective representatives, touching the construction of any of the constitution herein contained or any act or thing made or done, or to be made or done, or omitted or in regard to the rights and liabilities arising hereunder, or arising out of the relation existing between the parties by reason of these presents such difference shall if not resolved amicably forthwith be referred to a single Arbitrator if the parties to the difference or deadlock shall agree upon whose decision shall be final.

c) All potential or actual conflicts of interest must be declared before, during or after meetings or as and when the member becomes aware of them.

24.0 HEADINGS

The headings in these Rules & Regulations are only for the sake of convenience and shall not have a bearing on the interpretation of the provisions contained herein.

25.0 ESSENTIAL CERTIFICATE

Certified that this is a correct copy of the Constitution of the Association.

MEMBERS OF THE ASSOCIATION AT THE DATE OF REGISTRATION OF THIS CONSTITUTION

1. AIRTEL MOBILE COMMERCE UGANDA LIMITED
2. INTERSWITCH EAST AFRICA (U) LIMITED
3. MCASH
4. MICROPAY
5. MTN MOBILE MONEY UGANDA LIMITED

URSB UGANDA REGISTRATION SERVICES BUREAU 30 MAR 2022 Charles Adiko REGISTRAR

M-cash Uganda Limited mcash 25 MAR 2022 P.O. Box 8020 Kampala

MICROPAY MOBILE MONEY (U) LTD MICROPAY More Than Mobile Money P.O. BOX 4693 KAMPALA

MTN MM (U) LTD Shs P.O. BOX 40340, KAMPALA

Interswitch INTERSWITCH EAST AFRICA (U) LIMITED 25 MAR 2022 P. O. BOX 7555, NAKASERO HILL RD, KAMPALA TEL. 0414256672/1 FAX: 0414 256676

AIRTEL MOBILE COMMERCE (U) LTD P.O. BOX 6771 KAMPALA REPUBLIC OF UGANDA

APPROVED BY LEGAL

AIRTEL

SCHEDULE

BUDGET FOR PSP / PSO SECRETARIATE			
1. Secretariate hosted by Chairperson			
Office set up			
	Qty	Rate	Amount
Office Desk	2	800,000	1,600,000
Office Chairs	2	600,000	1,200,000
Visitors Chairs	2	200,000	400,000
Computer	2	2,500,000	5,000,000
Printer / Copier	1	3,500,000	3,500,000
Total			11,700,000
Operational Costs		Monthly Gross	
Coordinator	12	4,000,000	48,000,000
Administrative Assistant	12	2,000,000	24,000,000
Office expenses	12	200,000	2,400,000
Annual Dinner / Beverages	50	200,000	10,000,000
Miscelleaneous			3,000,000
Total			87,400,000
Total Budget for the year			99,100,000

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AIRTEL