



THE REPUBLIC OF UGANDA
IN THE MATTER OF THE COMPANIES ACT NO. 1 OF 2012
AS AMENDED
AND
IN THE MATTER OF WELLSPRING LIMITED (BY GUARANTEE)
AND
IN THE MATTER OF COMPANY COMPLAINT NO. 12515 OF 2022
1. WILLIAM GEOFFREY BUJINGO
2. EMMANUEL RUCYABA
3. SAMUEL MUWONGE:.....COMPLAINANTS

VERSUS

1. EVE KANYENYA WANJALA
2. FLORENCE KAMYA
3. MANGENI VICTOR LORDVICK:.....RESPONDENTS

RULING.

(Before Muliisa Solomon, Registrar of Companies)

A. Introduction

The Complainants herein through their lawyers M/s. Praxlex Advocates filed a complaint with the Registrar General, Uganda Registration Services Bureau (URSB) on the illegal filing of forged documents causing misleading changes in the Company structure on the company file with the Registrar of Companies.

By a letter dated 8th November, 2022, the parties herein were invited for a meeting to address the said concerns and all the parties were advised to carry the relevant documents.

The Respondents herein denied all the allegations in the complaint and prayed that the said complaint be dismissed as it was without merit.

B. Complainant's Pleadings / Complaint

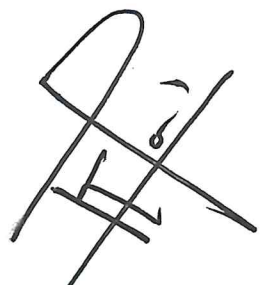
The initial complainants Mr. William Geoffrey Bujingo and Emmanuel Rucyaba who are director and subscriber, respectively of Wellspring Limited complained to the registrar of companies giving a background that the said company was incorporated in 2005 as company limited by guarantee with its initial subscribers as Samuel Muwonge, Emmanuel Rucyaba, Herbert Kanyenya Wanjala, Michael George Godward and Beryl Godward who ceased being directors and left the country.

That after Micheál George Godward passed on, Herbert Kanyenya Wanjala, another subscriber and Executive Director also passed on 27th December, 2020.

It was alleged that after the demise of Herbert Kanyenya Wanjala, several board meetings were held and resolutions passed but the said Eve Wanjala used her power as a business manager to stubbornly refuse to implement the resolutions and also usurped the powers of the board in various matters.

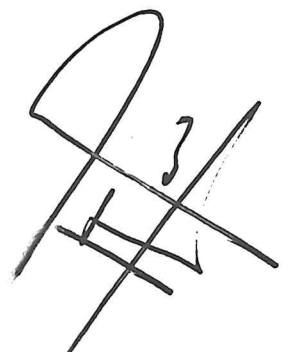
It was further alleged that the said Eve Wanjala Kanyenya had undertaken fraudulent actions in the company registry both at Uganda Registration Services Bureau and at the Company offices with the intention of seizing control of the organization and its assets, namely:

1. That on the 26th day of July, 2021, a resolution was filed with the Bureau making Mrs. Kanyenya Eve Wanjala a director and Chairperson of the board replacing Herbert Kanyenya Wanjala and

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appointing Valentine Rwamihigo as a director replacing Emmanuel Rucyaba. However, no such meeting took place as Herbert Kanyenya was dead at the time of the said meeting was shown to have signed the said document. It was also averred that the signature of Rucyaba had been forged since he had never attended any such meeting. A copy of the said resolution was attached to the complaint as annexure A.

2. That on the 15th day of June, 2022, a resolution was filed at the bureau introducing new subscribers to the Company. That the said resolution was signed by Rucyaba Emmanuel whereas not. A copy of the said resolution was attached to the complaint as annexure B.
3. That on the 21st June, 2022, another resolution was filed amending the memorandum and articles of association of the company. A copy of the said resolution was attached to the complaint as annexure C.
4. That on the 15th day of June, 2022, another Company Form 20 was filed with the Registrar of companies indicating that Mangeni Lordvick, Florence Kanya had been appointed as directors. It was their contention that this appointment was without any meeting or notice to the complainants. A copy of the said Form 20 was attached to the complaint as annexure D.
5. That on the 21st day of June 2022, an amended Memorandum and Articles of association were filed with the registry and in the said document, Mr. William Geoffrey Bujingo was indicated as a subscriber and his signature forged on the said document as he had never signed any such document. A copy of the said Memorandum and Articles of Association was attached as annexure E.



It was the complainant's contention that some individuals were forging documents which were unfair and prejudicial to the interests of the company and sought the following prayers; -

- a) A review of all company documents filed with the registry since December, 2020 to the date of the complaint
- b) A review of the changes in the subscribership and directorship of the company after December, 2020.
- c) Undertaking an inquiry into the affairs of the company
- d) Expunge from the record all forged documents and documents irregularly filed.
- e) To guide on the proper appointment of subscribers and Directors.

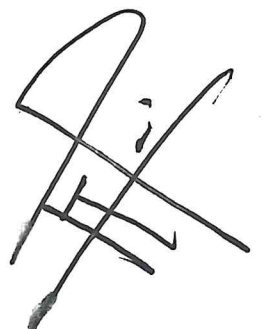
C. Respondents' Pleadings / Response.

It was submitted by the Respondents herein, that they had never been part of any forgeries as the complainants herein allege.

It was averred for the Respondents that sometime before 2009, Mr. Emmanuel Rucyaba resigned from the operations and trusteeship of the company while other members like William Bujingo decided to neglect the works of the company and as such, perpetually became absent in its operations and affairs.

The complainants herein were tasked to prove that they had been part of the affairs of the company as they claim / allege.

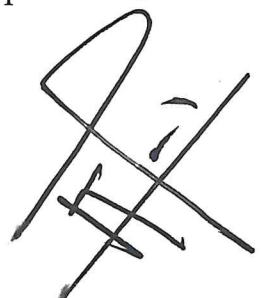
The Respondents further averred that while it was not in dispute that when Michael George Godward and Beryl Godward ceased being directors of the company, the operations of the same were subsequently handed over to Hebert and Eve Wanjala for management. That position was uncontested by the members until recently when Herbert Kanyenya Wanjala passed on.

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It was the Respondents' further contention that the allegations that Ms. Eve Kanyenya Wanjala had usurped the powers of the board were baseless as all decisions by the Company are either made by members or the directors and all other operations are managed effectively by the managers and employees of the company designated to do so.

In regard to the allegations of fraudulent actions both at the URSB and the Wellspring offices, the Respondents averred to the allegations by the Complainants as follows; -

- a) It was the Respondents' contention that the alleged resolutions referred to by the Complainants and marked "A", "B", & "C" were unknown to the Respondents. The same were denied.
- b) The Respondents further averred that the Complainants had for a considerable time, lost interest in the affairs of the organization and it was until the passing of Herbert Wanjala in December, 2021 that Mr. Bujingo started raising false accusations and allegations concerning the affairs of the company.
- c) It was further averred by the Respondents that Mr. Muwonge Samuel had formally resigned from the organization in 2022 tendering a document of his resignation at the hearing.
- d) It was further averred for the Respondents that owing to the fact that Mr. Rucyaba Emmanuel had resigned and stopped taking part in the operations of the company sometime before 2009, Mr. Wanjala Herbert has since passed on, and Mr. Bujingo William and Mr. Muwonge Samuel had continued to absent themselves from the operations of the organization for reasons best known to them, the company issued a Notice in the newspaper in the Daily Monitor on the 17th day of May, 2022 for the Organization's annual general meeting that was due to happen on the 31st of May 2022. A copy of the said Newspaper was

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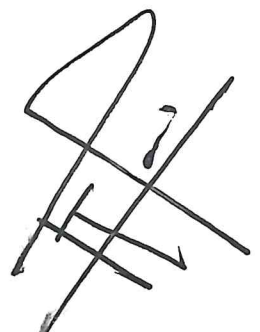
attached and Marked as annexure A the newspaper presented at the hearing.

- e) The Respondents further averred that the Notice was in accordance with the memorandum and articles of association of the company which particularly provided for Notice of general meeting to be given not less than 14 days before the meeting and as such they were in compliance with all the regulations governing the Company.
- f) It was further raised for the Respondents that pursuant to the Annual General Meeting of the Company held on the 31st day of May, 2022, the members of the company passed a resolution appointing Kamya Florence and Mangeni Victor as directors of the company to help in the operations of the company owing to the fact that Rucyaba Emmanuel and Muwonge Samuel had resigned and Bujingo William was no longer interested in the operations of the company. A copy of the minutes and attendance list of the Annual General Meeting and resultant resolution were attached to the response as B and C respectively.
- g) It was also averred for the Respondents that a Company Form 20 was subsequently filed with the registry to reflect the new changes. A copy of the Form 20 was attached and marked D.

The Respondents averred that there was no act of mismanagement of the affairs of the company as the operations were all done in accordance with the law and in the best interest of the Wellspring Community.

That the Complainants had failed to bring any evidence to prove their case as they did not avail any certified copies of the documents they allege to have been filed illegally.

It was prayed for the Respondents that the Compliant be dismissed.

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D. Hearing of the Matter.

That when the matter came up before me on the 05th day of December, 2022, it was the contention of the Respondents that while they had been invited for a meeting arising out of a complaint by the Complainants herein, they had not been served with the said complaint and as such they were not aware of the said contents of the Complaint.

Counsel for the Respondents requested that they be served with the said complaint and be given time to make a formal response to the same.

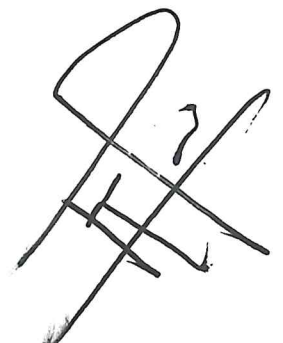
The matter was adjourned to the 19th day of December, 2022 directing the complainants to serve their complaint unto the respondents and the respondents to make a formal response to the same and file and serve upon Complainants.

At the hearing of the matter on the 19th day of December, 2022, the Counsel for the Complainants reiterated their pleadings as filed and prayed that prayers as sought be allowed.

Counsel for the Respondents reiterated their pleadings as filed and prayed that the Complaint be dismissed.

Counsel for the Complainants sought leave to file additional statutory declarations in support of their complaint which was allowed.

It was also allowed that all parties file all the necessary documents to be relied upon not later than the 10th day of January, 2023.

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E. Representation.

The complainants were represented by Counsel Nalumansi Hilda holding brief for Counsel Mulongo Peter Lameka and the Respondents were represented by Counsel Obbo Francis Able and Counsel Maurice Mugooda Counsel for the Complainants also noted that they also represented Samuel Muwonge and Beryl Godward.

F. Complainants' submissions.

It was submitted for the Complainants as is noted in the Complainants pleadings which are part of this ruling which I shall not reproduce.

G. Respondents' submissions.

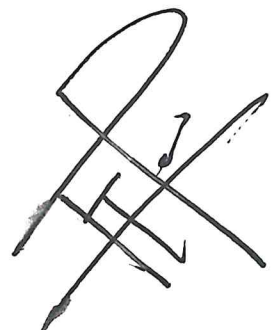
It was submitted for the Respondents as in noted in the Respondents' pleadings which are part of this ruling which I shall not reproduce.

H. Complainants Submissions in Rejoinder

It was argued for the complainants that the Notice that the Respondents purport to have issued was short notice as required by law and thus all actions that were taken in the said annual general meeting were illegal and consequently should be removed from the register of the company at the Companies registry. Their submission was premised on Section 140 of the Companies Act No.1 of 2012.

I. Issues for Determination

- 1. Whether there are any forged documents as presented by the Complainants at the Companies' Registry?*
- 2. Whether Victor Lordvick Mangeni and Florence Kamya were legally appointed as directors of the Company?*
- 3. What are the available Remedies to the parties?*

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J. Resolution of Issues.

Issue 1

Whether there are any forged documents as presented by the Complainants at the Companies Registry?

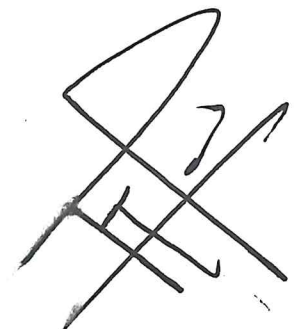
The Complainants herein averred that there are several documents that the Respondents forged with the aim of usurping the powers of the board in various matters.

It was alleged that the said Eve Wanjala Kanyenya had undertaken fraudulent actions in the company registry both at Uganda Registration Services Bureau and at the Company offices with the intention of seizing control of the organization and its assets, namely; -

- a) A resolution dated 26th July, 2021
- b) A resolution dated 15th June, 2022
- c) A resolution dated 21st June, 2022
- d) A Company Form 20 dated 15th June, 2022
- e) An amended memorandum and articles of association dated 21st June, 2022.
- f) A Resolution dated 15th August, 2022

The Respondents denied ever forging any documents that the Complainants claimed were forged. The Respondents only claimed knowledge of the resolution that they signed after the 31st of May 2022 that appointed Mangeni Victor Lordvick as director and secretary and Florence Kamya as director plus the subsequent form 20.

The Respondents also acknowledge the resolution validating land sales by people who had concluded payments for their land which resolution was dated 15th August, 2022.

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I have also read the statutory declarations sworn in support of the Complaint which include the statutory declarations by Beryl Anne Godward, Emmanuel Rucyaba, Florence Kanya and Mangeni Victor Lordvick.

I will now address myself to the evidence in the same.

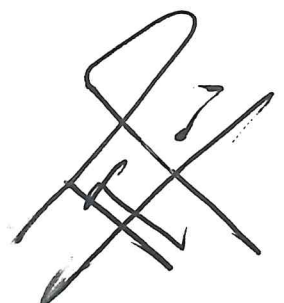
The declaration by Beryl Anne Godward simply forwards the case of the complainants' the gist of which being that the documents filed to change the governing body are forged and the same should be expunged from the Record.

I have also read the statutory declaration of Emmanuel Rucyaba and the gist therein is that there are two resolutions that were purported to have been signed by him, these being the Resolution dated 26th July, 2021 marked as annexure "C" and the Resolution dated 1st of June, 2022 are attached as annexure "D" were forged and not signed by him.

He further averred that Mrs. Eve Kanyenya Wanjala had requested for his National Identification card on the 4th June 2021 years after his resignation. He attached a copy of his resignation dated 10th of January and marked annexure "A", and the letter requesting for his national identification card dated 04th of June 2021 and marked annexure "B"

That the documents mentioned in these statutory declarations cannot be traced on the registry file of the company however, entries in relation to them were made on the Business Registration System and actions performed in the system by the action registrars though the physical copies mysteriously don't appear on the company file, save for the resolution dated 21st of June, 2022 which was signed by Victor Lordvick Mangeni, Eve Kanyenya Wanjala and Kanya Florence only.

I have also read the statutory declarations of Mangeni Victor Lordvick and Kanya Florence which state that documents were presented to them and

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signed without being allowed to read them and that there was no discussion of amendment of the Memorandum and Articles of Association and that they distance themselves from the resolutions for amendment of the Memorandum and Articles of Association.

They further aver that they did not instruct R. Nsubuga & Co. Advocates to represent them and declared that all documentation filed with Uganda Registration Services Bureau are not known to them.

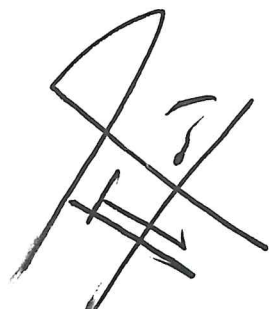
Suffice to note is that there are also other statutory declarations by the same persons (Mangeni Victor Lordvick and Florence Kamya) filed for and in support of the Respondent's case wherein they averred that statutory declarations sworn by them in support of the Complainants' case were procured through trickery and they were told to deny all the company activities. They further averred that the complainant William Bujingo told them to meet a lawyer who told them to deny all the company activities and meetings that they had made and if they helped, then the issues of Wellspring would be resolved and cases withdrawn relieving them of any prosecution.

It was further averred that the lawyer made a statement for them to sign denying ever instructing the lawyers of R.Nsubuga & Co. Advocates to represent them in this matter at Police.

They further averred that all the averments made in their earlier statutory declarations in support of the Complaint were untrue.

I find that the two sets of statutory declarations of Mangeni Victor Lordvick and Florence Kamya for the Complainants and for the Respondents are confusing and misleading.

I am inclined to disregard their evidence and not consider the same since these parties' evidence was never put to the test of its truthfulness.

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I will now consider the alleged forged documents that were filed in the Companies Registry on the Wellspring File.

Forgery is defined under the *Black's Law Dictionary, Ninth edition; Bryan A. Garner at page 722 as "the act of fraudulently making a false document or altering a real one to be used as if genuine"*

This clearly imputes one's acts of being fraudulent. The act of making the false document does not constitute forgery until unless the claimant or prosecution is able to prove the presence of a fraudulent act.

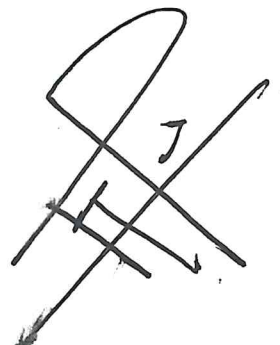
In the case of *Fredrick Zaabwe Vs Orient & 5 Ors Civil Appeal No.04/2006* Court defined "*fraudulent*" as; -

"To act with "intent to defraud" means to act wilfully, and with the specific intent to deceive or cheat; ordinarily for the purpose of either causing some financial loss to another, or bringing about some financial gain to oneself."

It was alleged by the Complainants that the Respondents and particularly Eve Wanjala Kanyenya fraudulently changed the members of subscribers and directors of the company with the intent of usurping the powers and retaining all the control of the company to herself.

It was alleged that the following documents were filed with the registry.

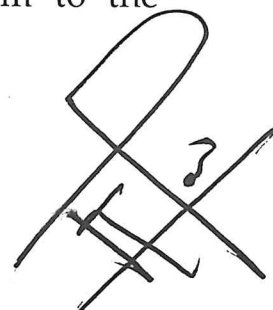
- a) A resolution dated 26th July, 2021
- b) A resolution dated 15th June, 2022
- c) A resolution dated 21st June, 2022
- d) A Company Form 20 dated 15th June, 2022
- e) An amended memorandum and articles of association dated 21st June, 2022.
- f) A Resolution dated 15th August, 2022

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A perusal of the registry file and the Business Registration System applications of Wellspring limited reveal the following; -

- a) The resolution dated 26th July, 2021 whose intention was to appoint Eve Wanjala Kanyenya as director and chairperson to replace Kanyenya Wanjala Herbert is not existent on the company file although a Resolution and Form 20 were tracked under application G210727-5161 and acted upon by Katushabe Naome, Registrar of Companies up to data entry.*
- b) The Resolution and Form 20 dated 15th June, 2022, resolving that Muwonge Samuel Iga, Herbert Wanjala Kanyenya and Emmanuel Rukyaba cease as directors and appointing Kanyenya Wanjala Eve, Mangeni Victor Lordvick and Florence Kamya as members together with Mangeni Victor Lordvick as the new company secretary linked to a task tracked in the Business Registration System under application G220606-5243 and approved by Nyesiga Angela on 15/06/2022 at 15:56 hours but also missing on the company file.*
- g) The Resolution and Amended Memorandum and Articles of Association dated 31st May 2022 and registered on 21st June 2022 resolving to amend the Memorandum and Articles of Association of the company tracked in the Business Registration System under application no. G220621-5931 and acted upon by Nyesiga Angela up to data entry on 21/06/2022 at 12:40 hours but also missing on the company file.*

The absence of the above mentioned documents on the Wellspring company file yet there are corresponding applications in the Business Registration System related to the same documents would imply that the above mentioned documents were filed with URSB although the same are missing on the company file. This raises a question as to how there can be corresponding applications in the Business Registration System to the



alleged forged documents which are missing on the file, acted upon by the same registrars' whose stamps appear on the documents yet the same are denied by the respondents and the complainants lack knowledge of the same.

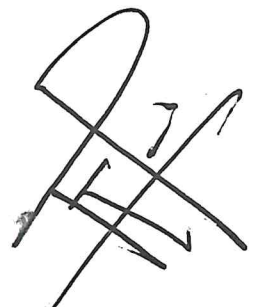
I will now proceed to evaluate the Special Resolution dated 31st May 2022, registered on 15/06/2022 and Company Form 20 dated 31st March 2022 and registered 15th June, 2022.

The Special resolution dated 31st May 2022 and registered on 15th June 2022 wherein Muwonge Samuel Iga, Herbert Wanjala Kanyenya and Emmanuel Rucyaba ceased to be members and directors in the company and subsequently appointing Kanyenya Wanjala Eve, Mangeni Victo Lordvick and Florence Kamya as members and directors together with Mangeni Victor Lordvick as the company secretary does not appear on the company file however, it has a corresponding entry in the Business Registration System on 06/06/2022 and approved by Nyesiga Angela the very registrar whose name appears on the document filed on 15/06/2022 and the complainant contests its authenticity.

- The Company Form 20 dated 31/05/2022, was registered on the 15th day of June, 2022 indicating that the directors of the company as; -

1. Kanyenya Eve Wanjala
2. Bujingo William Geoffrey
3. Kamya Florence
4. Mangeni Victor Lordvick

This Form 20 appears on the company register which raises a question as to why its' corresponding resolution is missing on record yet both have the same entry and action in the Business registration System.

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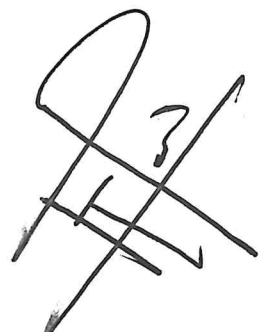
It was alleged by the Complainants that this action was prejudicial to the interest of the company as no meeting of such nature ever took place and the signature of Emmanuel Rucyaba was also forged on the resolution.

I am alive to the fact that the respondents denied knowledge of that Special resolution but only acknowledged the Form 20 which they linked to a Special Resolution dated 21/06/2022. It is logical that the Special Resolution appointing Mangeni Victor Lordvick and Florence Kamya as directors to be added on Form 20 could not be registered after the Notification of appointment of directors (Form 20). This therefore, creates an inconsistency in the nature of appointment of the 2 additional directors and new secretary because the proper legal procedure was not followed.

In light of the above, relying on the case of **Trans-World (Aluminum) Ltd v Cornelder China (Singapore)** 2003] 3 SLR (R) 501 that was cited with approval in **Tweheyo Wilson Atutereraine vs Uganda (Criminal Appeal 26 of 2021)** [2022] UGHCCRD 4(17 February 2022) where it was stated that;

"In a civil case where fraud is alleged, the stronger should be the evidence before the court concludes that the allegation is established on the balance of probabilities. The court does not adopt so high a degree as a criminal Court, but still does require a degree of probability which is commensurate with the gravity of the imputation."

I have perused the entire Wellspring file kept at URSB and I have not seen the resolutions marked "A", "B" and "C", the amended Memorandum and Articles of Association Marked "E" to the complaint yet the same have matching corresponding entries in the Business Registration System which confirms that the same were registered at URSB though copies missing on the company file.

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I therefore find that in all cases of forgery the burden of proof is always higher than that of balance of probabilities, and the Complainants have proved to some degree that there are inconsistencies on the company file of Wellspring Limited since there are missing registered documents on the company file which were properly lodged for registration through the Business Registration System.

From all the evidence presented, the complainants have failed to prove that it is indeed the respondents who perpetrated the filing of the alleged forged documents on the company file of wellspring since also the respondents deny knowledge of the same documents.

Therefore, the source of the alleged illegally filed documents on the company file is unknown to both parties and the same shall not form part of the records of Wellspring Limited.

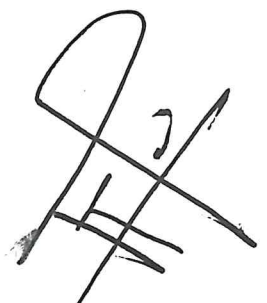
Issue 2

Whether Victor Lordvick Mangeni and Florence Kamya were legally appointed as directors of the Company?

The Complainants averred that that the appointment of Victor Lordvick Mangeni as a director and Secretary and Florence Kamya as director were illegal.

The complainants pointed out that the two directors were appointed by people who are not members. The only members they know are those in the Memorandum and Articles of Association.

The Respondents both in their response and submissions pointed out that Well Spring Limited has a register of members that they attached on their response dated the 9th January 2023 and it is these members that appointed the two directors in the Annual General Meeting of the Company that was held on the 31st day of May, 2022.

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It was averred for the Respondents that all the Complainants had been absent from running the affairs of the Company and as such left a power vacuum.

It was further averred that owing to the fact that Mr. Rucyaba Emmanuel had resigned and stopped taking part in the operations of the company sometime before 2009, Mr. Wanjala Herbert has since passed on, and Mr. Bujingo William and Mr. Muwonge Samuel had continued to absent themselves from the operations of the organization for reasons best known to them, the company issued a Notice in the newspaper in the Daily Monitor on the 17th day of May, 2022 for the Organization's Annual General Meeting (AGM) that was due to happen on the 31st of May 2022.

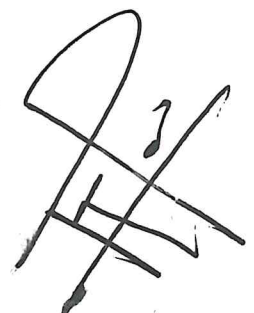
A copy of the newspaper was adduced in evidence as annexure "A" to the response to the Complaint.

That it was the basis of the said AGM that Lordvick Mangeni and Florence Kamya were appointed as directors of the Company.

For the complainants as noted above, they disputed the membership into the company of most of all the participants in the AGM. They also raised queries to the legality of the Notice and the Notice Period that was issued to call for the said AGM.

It is therefore incumbent upon me to first resolve the question as to membership of the company and particularly whether the persons that participated in the AGM dated 31st May, 2022 were members of the company?

Section 47 (1) of the Companies Act, No. 1 of 2012 defines who a member of the company is. It provides that; -

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“That the subscribers to the memorandum of a company shall be taken to have agreed to become members of the company, and on its registration shall be entered as members in its register of members.”

The simple and literal meaning of this section in light of the instant Complaint is that Michael George Godward, Beryl Godward, Emmanuel Rucyaba, Herbert Kanyenya Wanjala and Samuel Muwonge were and are the first members of the Company whose names ought to be in the register of the Company.

Section 47 (2) further provides that; -

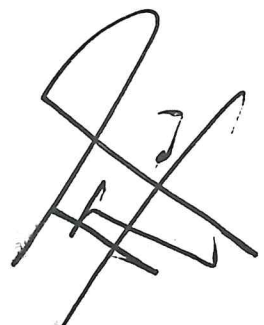
“A person who agrees to become a member of a company, and whose name is entered in its register of members shall be a member of the company.”

The simple and literal meaning of this subsection would imply that whoever agrees to become a member of the company and has his/her name registered in the register of members becomes a member of the Company.

Similarly, the case of Mathew Rukikaire v Incafex Limited Supreme Court Civil Appeal no. 03 of 2015; Tibatemwa JJSC at page 14 to 15 of her Judgment quoting Section 112 of the Companies Act, 110 which is currently Section 119 of Act, No. 1 of 2012, held that; -

(1) Every company shall keep a register of its members and enter in that register the following particulars –

(a) the names and postal addresses of the members, and in the case of a company having a share capital, a statement of the shares held by each member, distinguishing each share by its number so long as the share has a number, and of the amount

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paid or agreed to be considered as paid on the shares of each member;

(b) the date at which each person was entered in the register as a member;

(c) the date at which any person ceased to be a member, except that where the company has converted any of its shares into stock, the register shall show the amount of stock held by each member instead of the amount of shares and the particulars relating to shares specified in paragraph (a) of this subsection. (Emphasis added)

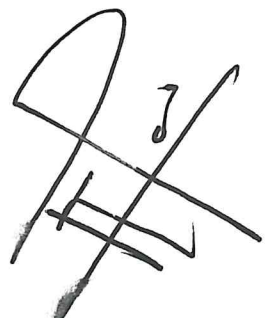
The interpretation of the above is that there are two ways in which one can become a member of a Company; Firstly, when one signs the memorandum and articles of Association of a Company, they by default become a member. Secondly by being entered into the register of members kept at the company premises or otherwise, you become a member.

I have had the benefit of perusing the Memorandum and Articles of Association of Wellspring Limited and the same provides that the Company shall keep a register of Members.

The Complainants averred that that the persons that voted at the said meeting were not members and therefore not entitled to vote at the AGM.

It was averred in reply by the Respondents that said persons that voted at the AGM were also members of the company who were even registered in the Company Register of Members. The same was adduced in evidence.

I am inclined to hold that presence of the register of members would imply that there are other members of the Company other than the first member

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who subscribed to the memorandum and articles of association of the Company.

A perusal of the company's articles of association provides for Membership and notes that; -

"A register of members shall be kept up to date by Secretary and it shall be kept in his / her custody"

The said articles of the Company further provide for the rights and duties of the members of the company. These are;

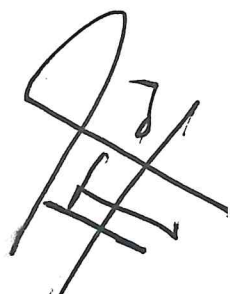
- (i) Participate in the proceedings and activities of the Company*
- (i) Elect or be elected to any office in the Company*
- (ii) To appoint and remove and remove directors in the general meeting*
- (iv) To have access to company facilities that shall be prescribed by the Executive*
- (v) To meet all such subscriptions and all other requirements as shall be prescribed by the directors and the general meeting from time to time.*

However, **Regulation 22 of the Companies (General) Regulations, 2016** states;

- (1) A company shall notify by resolution, the registrar of any change in the register of members kept by the company under Section 119 of the Act within 30 days after the change.*

The implication of this regulation is that the company ought to have filed a resolution and amended Memorandum and Articles of Association within 30 days notifying URSB of the changes on the register of members and the Special resolution and Amended Memorandum and Articles of Association alluding to that were denied by the respondents themselves.

In the absence of any evidence of notification to the registrar of the changes that were made on the register of members, I therefore hold that the

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members as per the memorandum and Articles of Association dated 11/10/2005 are still the lawful members of Wellspring Limited.

Therefore, Victor Lordvick Mangeni and Florence Kamya were illegally appointed as directors.

I therefore resolve the issue 2 in the negative.

Therefore, the Special Resolution dated 31st May 2022 and registered on 21st June, 2022 appointing Mangeni Victor Lordvick and Florence Kamya as directors was unlawful.

The company Form 20 dated 31st May 2022, and registered on the 15th day of June 2022 was unlawful.

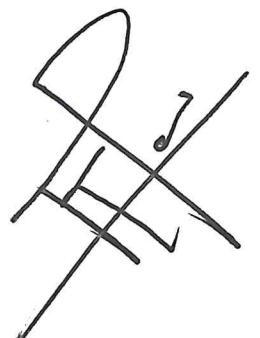
The same would apply to the Board Resolution dated 08/08/2022 and registered on the 15th day of August 2022, which was a board resolution pursuant to a board meeting of directors that was held on the 8th day of August, 2022 where the board of Directors resolved to sign transfer forms for Dan Kenneth Madaba and Cassandra Proscovia Nakyeyune plus Kirabo Rita Barugahara who had already made full payment for their land in Nakapinyi. The action by the alleged directors was illegal.

Issue 3:

What are the available Remedies to the parties?

It was prayed for the Complainants that; -

- a) A review of all company documents filed with the registry since December, 2020 to the date of the complaint
- b) A review of the changes in the subscribership and directorship of the company after December, 2020.
- c) Undertaking an inquiry into the affairs of the company

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- d) Expunge from the record all forged documents and documents irregularly filed.
- e) To guide on the proper appointment of subscribers and Directors.
- **A review of all company documents filed with the registry since December, 2020 to the date of the complaint.**

As resolved in **ISSUE ONE**, a perusal of the Wellspring file reveals that all the documents complained about as forged are missing on the company file but had corresponding entries within the Business Registration System and therefore, the same were filed and registered at URSB although the complainants have failed to prove that it is indeed the respondents who perpetrated their filing.

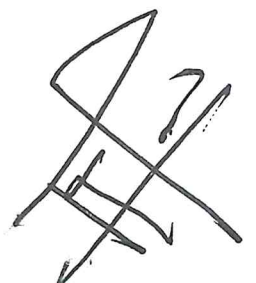
- **A review of the changes in the subscribership and directorship of the company after December, 2020.**

The subscribership of the company in the Company's Memorandum and Articles of Association is still the same as at the time of incorporation of the Company in 2005. The said subscribers are still the lawful members of the company.

In regard to the change of directorship of the company, as resolved in **ISSUE 2** above, the two additional directors as indicated on Company Form 20 dated 31/05/2022 and registered on the 15th day of June, 2022, were unlawfully appointed.

- **Undertaking an inquiry into the affairs of the company**

The Complaint in its entirety consisted of the Registrar of Companies investigating into the issues of the alleged forgeries. Having found that there are corresponding entries on the Business Registration System to the missing documents on the company file, it is clear that there are inconsistencies on the company file which has been addressed in

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resolution of Issues 1 hence no further inquiry needed since the documents have been disregarded.

- **Expunge from the record all the forged documents and documents irregularly filed.**

As resolved in **ISSUE 1,**

The Special resolution dated 31/05/2022 and registered on 31/05/2022 and registered on 21/06/2022 be expunged from the register.

The Special Resolution dated 08/08/2022 and registered on 15/08/2022 be expunged from the register.


The Form 20 dated 31/05/2022 and registered on 15/06/2022 be expunged from the register.

- **To guide on the proper appointment of subscribers and Directors.**

As resolved in **ISSUE TWO**, any changes on the register of members should be notified to the registrar within 30 days from the date when they are made and directors are appointed by the members at an annual general meeting.

In conclusion therefore, this Complaint partially succeeds on the terms described above.

I so order

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Muliisa Solomon

Registrar

06/09/2023