

BILLS SUPPLEMENT

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Bill No. 21

Companies (Amendment) Bill

2022

THE COMPANIES (AMENDMENT) BILL, 2022

MEMORANDUM

1. OBJECTIVE

The objective of this Bill is to amend the Companies Act, 2012 to streamline and simplify the procedure for incorporation of companies, to require public companies which do not comply with any code of corporate governance to comply with Table F relating to corporate governance; to provide for the re-registration of a company limited by guarantee as a company limited by shares; to define “beneficial owner”, to provide for a beneficial owners register and to empower the Minister to make regulations for beneficial ownership; to provide for the registrar to cancel the registration of companies which are no longer in business; to provide for a company to voluntarily petition the registrar to strike off a company which is no longer in business from the register; to provide for the duties of the registrar as an accountable person; and to provide for related matters.

2. DEFECTS IN THE EXISTING LAW

Currently, there are inadequate provisions in the Companies Act, 2012 manifested by lack of provisions on transparency and disclosure of beneficial owner’s information and threshold, inadequate provisions on striking off of defunct companies on the register, absence of a time

frame for when a dissolved company name can be made available for reuse and inadequate provisions for deregistration of a company among others.

3. REMEDIES

3.1 Beneficial ownership for companies

The Bill seeks to provide for the definition of beneficial ownership in the Act and to require all companies to keep a register of beneficial owners, which shall include all information prescribed in regulations relating to beneficial ownership, the role of the accountable persons and offences and sanctions. The rationale is to comply with Recommendation 24 of the Financial Action Task Force (FATF) which requires countries to take measures aimed at preventing misuse of legal persons for money laundering and terrorism financing.

3.2 Discretionary use of memorandum of association

The Bill seeks to empower any person registering a company to have the discretion to use a memorandum of association as a form of incorporation of a company.

The proposed amendment provides for a mandatory requirement for a person who intends to incorporate a company to fill in particulars contained in the registration form in the Second Schedule to the Act. The rationale for the proposed amendment is that the Companies Act, 2012 did away with the ultra vires rule, rendering the memorandum of association redundant since it only provides for the objectives of the company.

3.3 Default code of corporate governance

The Bill seeks to amend section 14 of the Act to have a default code of corporate governance specified in table F that applies to every public company that does not comply

with any corporate governance provisions under any other law. The rationale for the proposed amendment is that there are other laws that require certain companies regulated under those laws to adopt codes of corporate governance, like the Capital Markets Authority Act, Cap 84 and the Financial Institutions Act, 2004.

1.4 Repealing the issuance of share warrant to bearer

The provisions of the Companies Act, 2012 allowing for the issuance of share warrants to bearer does not allow for transparency and disclosure of information on the ownership of companies. This facilitates tax payers and shareholders to conceal information from both the Commissioner General of the Uganda Revenue Authority and the Registrar of Companies. This is not in line with the international standard for transparency and exchange of information for tax purposes.

1.5 Foreign company incorporated in any part of the Commonwealth to conform to the provisions of the Act

The Bill seeks to repeal the exemption under section 256 (1) (a) of the Act, which is to the effect that foreign companies incorporated in any part of the Commonwealth shall not conform to the requirement streamlined in the Act under the provisions of accounts of a foreign company.

Section 256 (1) (a) of the Act gives preferential treatment to countries that are members of the Commonwealth group of countries in filing of returns. This disadvantages countries like Burundi which is a member of the East African Community but is not a Commonwealth country. This exemption is archaic and has been overtaken by events. While it was easy to access information on companies incorporated in other Commonwealth countries, it is not easy now and countries today have different legal registration requirements.

1.6 Power of the registrar to strike defunct companies off the register

The Bill seeks to empower the registrar to strike off defunct companies from the register either on his or her own accord or at the request of the company. However, the registrar should give notice of the intention to strike off to the company. The rationale for the proposed amendment is that there are very many dormant or defunct companies on the register, which is a challenge to the Uganda Registration Services Bureau in maintaining the companies on the register, restricting use of the names by other prospective companies and in certain instances, aiding fraud.

1.7 Registration Form

The Bill seeks to replace the registration form in Schedule 2 of the Act. The rationale for the proposal is to have a precise and comprehensive registration form that will make the process quick, easy and cheap.

Finally, the Bill seeks to correct erroneous cross references and typographical errors in the Act for efficient and effective implementation of the law and other related matters.

NORBERT MAO,
Minister of Justice and Constitutional Affairs.

THE COMPANIES (AMENDMENT) BILL, 2022.

ARRANGEMENT OF CLAUSES

Clause

1. Amendment of the Companies Act, 2012
2. Amendment of section 4 of principal Act
3. Amendment of section 6 of principal Act
4. Insertion of new section 7A in principal Act
5. Amendment of section 14 of principal Act
6. Amendment of section 17 of principal Act
7. Repeal of section 18 of principal Act
8. Repeal of section 19 of principal Act
9. Replacement of section 23 of principal Act
10. Amendment of section 31 of principal Act
11. Amendment of section 34 of principal Act
12. Amendment of section 37 of principal Act
13. Amendment of section 40 of principal Act
14. Amendment of section 41 of principal Act
15. Amendment of section 66 of principal Act
16. Amendment of section 87 of principal Act
17. Repeal of section 95 of principal Act
18. Replacement of section 96 of principal Act
19. Repeal of section 97 of principal Act
20. Amendment of section 113 of principal Act
21. Insertion of a new section 119A in principal Act
22. Repeal of section 121 of principal Act
23. Amendment of section 132 of principal Act
24. Amendment of section 156 of principal Act
25. Amendment of section 161 of principal Act

26. Amendment of section 165 of principal Act
27. Amendment of section 170 of principal Act
28. Amendment of section 186 of principal Act
29. Amendment of section 193 of principal Act
30. Amendment of section 196 of principal Act
31. Amendment of section 209 of principal Act
32. Amendment of section 210 of principal Act
33. Amendment of section 221 of principal Act
34. Amendment of section 223 of principal Act
35. Amendment of section 246 of principal Act
36. Amendment of section 254 of principal Act
37. Amendment of section 256 of principal Act
38. Amendment of section 259 of principal Act
39. Insertion of new section 262A in principal Act
40. Amendment of section 264 of principal Act
41. Insertion of new section 265A in principal Act
42. Amendment of section 266 of principal Act
43. Amendment of section 270 of principal Act
44. Amendment of section 272 of principal Act
45. Amendment of section 276 of principal Act
46. Amendment of section 277 of principal Act
47. Amendment of section 288 of principal Act
48. Amendment of section 294 of principal Act
49. Amendment of Second Schedule to principal Act
50. Amendment of Fourth Schedule to principal Act

A Bill for an Act

ENTITLED

THE COMPANIES (AMENDMENT) ACT, 2022

An Act to amend the Companies Act, 2012 to streamline and simplify the procedure for incorporation of companies, to require public companies which do not comply with any code of corporate governance to comply with Table F relating to corporate governance; to provide for the re-registration of a company limited by guarantee as a company limited by shares; to define “beneficial owner”, to provide for the beneficial owners register and to empower the Minister to make regulations for beneficial ownership; to provide for the registrar to cancel the registration of companies which are no longer in business; to provide for a company to voluntarily petition the registrar to strike off a company which is no longer in business from the register; to provide for the duties of the registrar as an accountable person; and to provide for related matters.

BE IT ENACTED by Parliament as follows:

1. Amendment of the Companies Act, 2012

The Companies Act, 2012 in this Act referred to as the principal Act is amended in section 2—

(a) by inserting the following definition immediately after the definition of “articles”

““beneficial owner” means a natural person who has final ownership or control of a company or a natural person on whose behalf a transaction is conducted in a company, and includes a natural person who exercises absolute control over a company,”

- (b) by inserting the following definition immediately after the definition of “private company”
 - ““promoter”, means a person who undertakes the formation of a company, but does not include person acting in an independent professional capacity;”
- (c) by repealing the definition of “share warrant”.

2. Amendment of section 4 of principal Act

Section 4 of the principal Act is amended—

- (a) by substituting for subsection (1), the following—
 - “(1) Any one or more persons may incorporate a company, with or without limited liability, by filling in the particulars contained in the registration form in the Second Schedule to this Act.”;
- (b) by inserting immediately after subsection (1), the following—
 - “(1a) On filing of the form under subsection (1), if the registrar is satisfied that the applicant has complied with the provisions of this Act, the registrar shall register the company and assign it a registration number.
 - “(1b) On registration of the company, the registrar shall issue a certificate signed by him or her that the company is incorporated and in the case of a limited liability company, that the company has a limited liability.

(1c) The company shall, from the date indicated in the certificate of incorporation, be a body corporate capable of exercising all the functions of an incorporated company, with power to hold land and having perpetual succession and a common seal, but with such liability on the part of the members to contribute to the assets of the company in the event of its being wound up as is provided in this Act.

(1d) Every company shall indicate its registration number on all its official documents.”

3. Amendment of section 6 of principal Act

Section 6 of the principal Act is amended by inserting immediately after the words “section 5”, the following words “and which has at least seven shareholders at the time of incorporation”

4. Insertion of new section 7A in principal Act

The principal Act is amended by inserting immediately after section 7, the following—

“7A. Registration of memorandum and articles.

The memorandum, if any, and articles shall be delivered to the registrar who shall retain and register them.”

5. Amendment of section 14 of principal Act

Section 14 of the principal Act is amended—

(a) by substituting for subsection (1), the following—

“(1) The code of corporate governance specified in Table F shall apply to every public company that does not comply with any corporate governance provisions or code prescribed under any other law.”;

(b) in subsection (5), by substituting for the word "fifty" the words "five hundred".

6. Amendment of section 17 of principal Act

Section 17 of the principal Act is amended by inserting immediately after paragraph (a), the following—

"(aa) the memorandum and articles of association of a company limited by guarantee and having a share capital;"

7. Repeal of section 18 of principal Act

The principal Act is amended by repealing section 18.

8. Repeal of section 19 of principal Act

The principal Act is amended by repealing section 19.

9. Replacement of section 23 of principal Act

The principal Act is amended by substituting for section 23 the following—

"23. Re-registration of company limited by guarantee to company limited by shares.

(1) A company which is registered as limited by guarantee may be re-registered as company limited by shares if a special resolution is passed that it should be so re-registered as company limited by shares and the special resolution, shall state—

(a) what the share capital is to be; and

(b) provide for the making of such alterations in the memorandum if any, as are necessary to bring it in substance and in form, into conformity with the requirements of this Act with respect to the memorandum of a company so limited and such alterations in the articles as are necessary in the circumstances.

(2) The special resolution referred to in subsection (1) shall be subject to the provisions on the registration of resolutions under this Act.

(3) The application for the company to be re-registered as a company limited by shares, shall be in the prescribed form signed by a director or secretary of the company and shall be lodged with the registrar, together with the documents specified in subsection (4), not earlier than the day on which the copy of the resolution is submitted for registration.

(4) The documents to be lodged with the registrar under subsection (3) are—

- (a) a printed copy of the memorandum, if any, as altered in accordance with the resolution; and
- (b) a printed copy of the articles as altered.

(5) The registrar shall retain the application and other documents lodged under subsection (3) and shall issue to the company a certificate of incorporation appropriate to the status to be assumed by the company by virtue of that section.

(6) On the issue of a certificate of incorporation under subsection (5),—

- (a) the status of the company is, by virtue of the issue, changed from limited by guarantee to a company limited by shares; and
- (b) the alterations in the memorandum, if any, specified in the resolution and the alterations in and additions to the articles so specified take effect.

(7) A certificate of incorporation issued under subsection (4), is conclusive evidence that the requirements of

this section in respect of re-registration and of the matters precedent and incidental to it have been complied with and that the company was authorised to be re-registered under that section and was duly re-registered.

10. Amendment of section 31 of principal Act

Section 31 of the principal Act is amended in subsection (2) by substituting for the word “it” the words “this section”.

11. Amendment of section 34 of principal Act

Section 34 of the principal Act is amended in subsection (1) by substituting for the reference to section 31, a reference to section 33.

12. Amendment of section 37 of principal Act

Section 37 of the principal Act is amended—

- (a) in subsection (2), by repealing the words “if not duly made the subject of an application to the court under subsection (3)”;
- (b) by inserting immediately after subsection (2) the following—

“(2a) The registrar may strike the company off the register after the expiration of the time specified in subsection (2).”

- (c) in subsection (3), by inserting immediately after the word “direction”, the words “or the striking off”

13. Amendment of section 40 of principal Act

Section 40 of the principal Act is amended—

- (a) in subsection (2), by repealing the words “within six months after it is registered by that name”;

(b) by substituting for subsection (3), the following—

“(3) A company which defaults in complying with a direction under subsection (2) is liable to a fine of twenty-five currency points and to an additional fine of five currency points for each day on which the default continues.”

14. Amendment of section 41 of principal Act

Section 41 of the principal Act is amended—

(a) in subsection (4) by substituting for the word “excepted”, the word “exempted”; and

(b) by substituting for subsection (5) the following—

“(5) The Minister may, on the recommendation of the registrar, revoke a licence under this section, and upon the revocation, the registrar shall enter in the register the word “limited” at the end of the name of the company to which it was granted, and the company shall cease to enjoy the exemptions and privileges, but before a recommendation is made to the Minister, the registrar shall give the association notice in writing of his or her intention and shall afford it an opportunity of being heard in opposition to the revocation.”

(c) in subsection (6) by substituting for the word “registrar” appearing immediately after the words “recommended to the” the word “Minister”;

15. Amendment of section 66 of principal Act

Section 66 of the principal Act is amended, by substituting for subsection (2) the following—

“(2) The share premium account may, notwithstanding anything in subsection (1), be applied by the company—

- (a) in paying up un-issued shares of the company to be issued to members of the company as fully paid bonus shares;
- (b) in writing off the preliminary expenses of the company;
- (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; or
- (d) in providing for the premium payable on redemption of any redeemable preference shares or of any debentures of the company.”

16. Amendment of section 87 of principal Act

Section 87 of the principal Act is amended in subsection (3) (a), by substituting the words “legal heirs” with the words “personal representative”.

17. Repeal of section 95 of principal Act

Section 95 of the principal Act is repealed.

18. Replacement of section 96 of principal Act

The principal Act is amended by substituting for section 96 the following—

“96. Penalty for impersonation of shareholder.

Any person who falsely and deceitfully impersonates an owner of any share or interest in any company, or coupon, issued under this Act, and who obtains or endeavours to obtain any such share or interest or coupon, or receives or endeavours to receive any money due to the owner, as if he or she was the true and lawful owner, commits an offence and is liable on conviction to imprisonment not exceeding seven years.”

19. Repeal of section 97 of principal Act

Section 97 of the principal Act is repealed.

20. Amendment of section 113 of principal Act

Section 113 (1) of the principal Act is amended by repealing the words “except in the case of securities to bearer.”.

21. Insertion of new section 119A in principal Act

The principal Act is amended by inserting immediately after section 119 the following—

“119A. Register of beneficial owners.

(1) A company with beneficial owners shall keep a register of its beneficial owners and enter in the register the following particulars—

- (a) the names, National Identification Number and postal addresses of the beneficial owner and, in the case of a company having a share capital, a statement of shares held by each beneficial owner if any, distinguishing each share by its number if the share has a number and of the amount paid or agreed to be considered as paid on the shares of each beneficial owner;
- (b) the date on which each beneficial owner was entered in the register as a beneficial owner;
- (c) the date on which any person ceased to be a beneficial owner, except that where the company has converted any of its shares into stock the register shall show the amount and class of stock held by each beneficial owner instead of the amount of shares and the particulars relating to shares specified in paragraph (a); and

(d) any other information as the Minister may prescribe by regulations.

(2) The register of beneficial owners shall be kept at the registered office of the company except that—

(a) if the work of making it up is done at another office of the company, it may be kept at that other office; and

(b) if the company arranges with some other person for the making up of a register to be understood on behalf of the company by that other person, it may be kept at the office of that person at which the work is done but it shall not be kept at a place outside Uganda.

(3) A company shall send notice to the registrar of the place where its register of beneficial owner is kept and of any change of place within fourteen days after creating the register or changing the place where the register is kept.

(4) The Minister may, by regulations, prescribe additional reporting requirements to be complied with by the company with a beneficial owner.

(5) Where a company defaults in complying with subsection (1), (2) or (3), the company and every officer of the company who is in default is liable to a daily default fine of twenty five currency points.”

22. Repeal of section 121 of principal Act

Section 121 of the principal Act is repealed.

23. Amendment of section 132 of principal Act

Section 132 of the principal Act is amended—

- (a) in subsection (1), by substituting for the words “Fourth Schedule”, the words “Third Schedule”;
- (b) in subsection (2) (b), by substituting for the words “Fourth Schedule”, the words “Third Schedule”;
- (c) in subsection (5), by substituting for the words “Fourth Schedule”, the words “Third Schedule”.

24. Amendment of section 156 of the principal Act

Section 156 of the principal Act is amended—

- (a) in subsection (2) by substituting for the words “Fifth Schedule”, the words “Fourth Schedule”;
- (b) in subsection (3) by substituting for the words “Fifth Schedule”, the words “Fourth Schedule”.

25. Amendment of section 161 of principal Act

Section 161 of the principal Act is amended in subsection (1) by repealing the words “subject to subsection (1)”.

26. Amendment of section 165 of principal Act

Section 165 of the principal Act is amended in subsection (1) by substituting for the words “Fifth Schedule”, the words “Fourth Schedule”.

27. Amendment of section 170 of principal Act

Section 170 (1) of the principal Act is amended by substituting for the words “Sixth Schedule” the words “Fifth Schedule”.

28. Amendment of section 186 of principal Act

Section 186 of the principal Act is amended—

- (a) in subsection (2) (a), (b) and (c), by substituting the words “legal heirs” with the words “the personal representatives”.
- (b) in subsection (3), by substituting the words “legal heirs” with the words “the personal representatives”.

29. Amendment of section 193 of principal Act

Section 193 of the principal Act is amended by repealing subsection (2).

30. Amendment of section 196 of principal Act

Section 196 of the principal Act is amended by repealing from the head note, the words “**and retirement of directors over the age limit.**”

31. Amendment of section 209 of principal Act

Section 209 of the principal Act is amended—

- (a) in subsection (2) by repealing the word “relevant”;
- (b) in subsection (3) by repealing the word “relevant”;
- (c) in subsection (5) by repealing the word “relevant”.

32. Amendment of section 210 of principal Act

Section 210 of the principal Act is amended—

- (a) in subsection (2) by substituting for paragraph (a) the following—
“(a) that directors spouse or child”; and
- (b) in subsection (3)(a) by repealing the words “and includes a step child and an illegitimate child”.

33. Amendment of section 221 of principal Act

Section 221 of the principal Act is amended in subsection (1) by inserting immediately after the words “subsection (2)”, the words “is fulfilled”

34. Amendment of section 223 of principal Act

Section 223 of the principal Act is amended in subsection (9) by substituting for the words “a fine not exceeding one year or to imprisonment not exceeding one year or both”, the words “a fine not exceeding twenty four currency points or imprisonment not exceeding twelve months or both.”

35. Amendment of section 246 of principal Act

Section 246 of the principal Act is amended by repealing subsection (7).

36. Amendment of section 254 of principal Act

Section 254 of the principal Act is amended in subsection (1) by substituting for the words “sixty days”, with the words “thirty days”

37. Amendment of section 256 of principal Act

Section 256 of the principal Act is amended in subsection (2) by repealing paragraph (a)

38. Amendment of section 259 of principal Act

Section 259 of the principal Act is amended by inserting immediately after subsection (3) the following—

“(4) The notice referred to in subsection (1) shall be accompanied by a copy of declaration of solvency signed by a Director and the company secretary of the foreign company.

(5) Notwithstanding subsection (1), the foreign company shall publish the notice of cessation of business, in the newspaper of wide circulation specifying that the company is solvent and intends to cease business in Uganda after thirty days from the date of publication in the newspaper.

(6) For the avoidance of doubt where a foreign company is insolvent the provisions of the Insolvency Act, 2011 shall apply.”

39. Insertion of new section 262A in principal Act

The principal Act is amended by inserting immediately after section 262 the following—

“262A. Duties of registrar as accountable person.

The registrar as an accountable person shall—

- (a) enforce the provisions of section 119A of this Act;
- (b) maintain a register of beneficial owners;
- (c) verify the identity of the beneficial owner of the company or a transaction within the company;
- (d) enforce the provisions of the Anti-Money Laundering Act, 2013; and
- (e) perform any other duty as the minister may prescribe by regulations.”

40. Amendment of section 264 of principal Act

Section 264 (1) of the principal Act is amended in paragraph (b) (ii)—

- (a) by repealing the word “of” appearing between the words “under” and “this”;
- (b) by inserting between the words “conferred” and “this”, the word “by”.

41. Insertion of new section 265A in principal Act

The principal Act is amended by inserting immediately after section 265, the following new section—

“265A. Power of registrar to strike defunct companies off register.

(1) The registrar may, at the request of the company or on his or her own accord, cancel the registration of a company under this Act and may strike the company off the register where the registrar is satisfied that the company no longer carries on business.

(2) The registrar shall, before cancelling the registration of a company, give notice to the company of the intention to cancel the registration of the company and to strike it off the register in accordance with section 274 of the Act and shall publish the notice in the gazette.”

42. Amendment of section 266 of principal Act

Section 266 of the principal Act is amended in subsection (1) by substituting for the words “Seventh Schedule” the words “Sixth Schedule”.

43. Amendment of section 270 of principal Act

Section 270 of the principal Act is amended in subsection (1) by substituting the word “liquidation”, the word “winding up”

44. Amendment of section 272 of principal Act

Section 272 of the principal Act is amended—

- (a) by renumbering section 272 as subsection (1);
- (b) by inserting immediately after subsection (1) the following—

“(2) Notwithstanding the provisions of subsection (1), where a company passes a resolution for voluntary winding up of the company and the registrar is satisfied that the company has no assets or liabilities, the registrar may strike off the company from the register without applying the provisions of the Insolvency Act, 2011.

45. Amendment of section 276 of principal Act

Section 276 of the principal Act is amended—

- (a) by substituting for the words “Eighth Schedule” the words “Seventh Schedule”;
- (b) by substituting for the words “imprisonment not exceeding two years or fine not exceeding two hundred currency points or both” the words “fine not exceeding two hundred currency points or imprisonment not exceeding two years or both”.

46. Amendment of section 277 of principal Act

Section 276 of the principal Act is amended by substituting for the words "imprisonment not exceeding one year or fine not exceeding one hundred currency points or both" the words "fine not exceeding one hundred currency points or imprisonment not exceeding one year or both".

47. Amendment of section 288 of principal Act

Section 288 of the principal Act is amended by substituting for subsection (1) the following—

"(1) In any proceeding under this Act before the registrar, the evidence shall be given by statutory declaration in the absence of directions to the contrary, but, in any case in which the registrar thinks it right so to do, he or she may take evidence *viva voce* instead of or in addition to evidence by statutory declaration."

48. Amendment of section 294 of principal Act

Section 294 of the principal Act is amended in subsection (2)—

- (a) by substituting in paragraph (a) for the words "Seventh Schedule" the words "Sixth Schedule";
- (b) by substituting for paragraph (b) the following—

"(b) to alter or add to Table B,C,D and E in the Second Schedule to this Act and the Forms to the Third Schedule to this Act; and

- (c) by substituting in paragraph (c) for the words "Fifth Schedule" the words "Fourth Schedule".

49. Amendment of Second Schedule to principal Act

The Second Schedule to the principal Act is amended by substituting for the form for registration of a company, the following—

“Section 4

FORM FOR REGISTRATION OF A COMPANY.

 <p>CO. FORM 1</p> <p>THE COMPANIES ACT</p> <p>Application for Registration of a Company (<i>This form may be used by persons who are applying to register companies</i>)</p> <p><i>Please answer in capital letters where applicable</i></p>		 <p>UGANDA REGISTRATION SERVICES BUREAU</p>
<p>1) Name of Company:</p> <p>Limited</p>		
2) Type of Company	<p>(a) Private Company not being a single member company</p> <p>(b) Private Company being a single member company</p> <p>(c) Public Company</p>	<p>(d) Unlimited Company</p> <p>(e) Company Limited by guarantee with share capital</p> <p>(f) Company Limited by guarantee without share capital</p>

Section A – Company details

1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1

Section B: Details of Subscribers

Section C: Proposed Directors and Articles of Association

Dated the day of 20			
Witnessed and signed this day of 20			
Name	Address	Occupation	Signature
Name of individual lodging the application		Address	

50. Amendment of Fourth Schedule to principal Act.

The Fourth Schedule to the principal Act is amended in paragraph 11—

(a) by substituting for subparagraph(3) the following—

“(3) The amount of any arrears of fixed cumulative dividends on the company’s shares and the period for which the dividends or, if there is more than one class, each class of them, are in arrears, the amount to be stated before deduction of income tax, except that in the case of tax-free dividends, the amount shall be shown free of tax and the fact that it is so shown shall also be stated.”;

(b) by substituting for the words “East African currency” appearing in subparagraph (9), the words “Uganda Shillings”.