THE REPUBLIC OF UGANDA
IN THE MATTER OF THE COMPANIES ACT CAP 106
AND
IN THE MATTER OF THE COMPANIES (POWERS OF THE REGISTRAR) REGULATIONS SI NO. 71 OF 2016
AND
IN THE MATTER OF GLOBAL OUTREACH DEVELOPMENT EAST AFRICA LTD
COMPANY PETITION NO. 54012 OF 2026
BRN.80010001354012

GREGG DANIEL GARNER::: PETITIONER

VERSUS

GLOBAL OUTREACH DEVELOPMENT

EAST AFRICA LIMITED::: RESPONDENT

RULING

Before: Daniel Nasasira—Assistant Registrar of Companies

A. *Representation*

1. *The Petitioner was represented by M/S Muwema & Co. Advocates, while Buwembo & Co. Advocates represented the Respondent.*

B. *Background*

2. The Petitioner is a founding member and former director of the Respondent Company.
3. The Respondent, Global Outreach Development East Africa Ltd is a company limited by guarantee incorporated on 25th October 2016 under Registration number 80010001354012 and shall hereinafter be referred to as the "*Company*".
4. The Petitioner contended that he had been oppressed as a member of the

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Company. He alleged that the Company passed an ordinary resolution on 8th October 2025 which purported to remove him as a director in the Company. The Petitioner also contended that the Company issued a cease and desist letter to him dated 12th October 2025 which barred him from accessing its premises, working with or representing the Company in any capacity and compelled him to return all the Company property.

5. The Company denied the Petitioner's contention and maintained that following the Petitioner's resignation from all leadership and directorship positions in Global Outreach Development International Limited, a company based in the United States of America (hereinafter referred to as *"G.O.D International"*), an entity affiliated with the Company, the Company passed the ordinary resolution dated 8th October 2025 to give effect to the Petitioner's resignation from the Company. The Company further contended that the Petitioner's resignation from G.O.D International arose from allegations of sexual misconduct and financial impropriety.

6. It was also the Company's position that following the acceptance of the Petitioner's resignation by the Board of Directors of G.O.D International, the Company issued the Petitioner with a cease and desist notice restraining him from interfering with the Company's affairs, management and operations, or accessing its operational premises which the Company maintained are the personal property of John Nyago and are neither owned nor leased by the Company.

C. ***Petitioner's case***

7. The Petitioner, in paragraphs 1–3 of his statutory declaration contended that he was a male adult of sound mind, an original founding member and the person behind the establishment of the Company, and was well versed with the facts pertaining to the matter. He averred that he first came to Uganda in 2004 and thereafter undertook the operational fundraising and strategic work necessary for

the incorporation of the Company in 2016, twelve years later. He maintained that he subsequently invited Cameron Kagay and Amanda Terese Aaseby to join him in the formation of the Company, which was incorporated as a company limited by guarantee without share capital.

8. Under paragraphs 4 and 5, the Petitioner contended that at incorporation, he together with Cameron Kagay and Amanda Terese Aaseby were appointed as first directors of the Company and that he subsequently undertook a leading administrative role as the Chief Executive Officer. The Petitioner asserted that a vision bearer, director and Chief Executive Officer(CEO), he diligently and satisfactorily carried out his duties and played a critical role in building the ministry, developing strategic relationships, raising funds and growing the business of the Respondent.
9. The Petitioner averred under paragraphs 6 and 7 that on 8th October 2025, the Company purportedly passed an ordinary resolution removing him as the Chief Executive Officer and director and appointed Peter Kimbugwe, John Nyago and Francis Lubega as directors of the Company. The Petitioner contended that the purported appointments of Peter Kimbugwe, John Nyago and Francis Lubega were devoid of legal effect as they had previously been appointed as directors of the Company on 22nd April 2025.
10. The Petitioner further contended under paragraph 8 of his statutory declaration that following passing of the said ordinary resolution, the Company issued a cease and desist letter dated 12th October 2025, by which he was barred from accessing the Company's premises, working for or representing the Company in any capacity and was required to return all Company property in his possession.
11. Under paragraphs 9 to 11, the Petitioner asserted that he instructed his lawyers to write to the Company challenging his purported removal as a director and demanding a comprehensive report on the conduct of the affairs of the Company.

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He alleged that when his lawyers visited the Company's premises to deliver the said letter, they served it upon Peter Kimbugwe and Francis Lubega who received the letter but insisted that only John Nyago who was then out of the country, was authorised to respond to and act upon the said letter.

12. Under paragraphs 12 to 14 of his statutory declaration, the Petitioner asserted that by a letter dated 26th May 2026, John Nyago claimed that the Company was an affiliate of G.O.D International, a non-profit organisation based in the United States of America. The Petitioner further stated that John Nyago claimed that he had voluntarily resigned from G.O.D International following allegations of misconduct and had as a result relinquished his position in the Company. The Petitioner also asserted that John Nyago denied any impropriety in his removal from the directorship of the Company, stating that the removal was undertaken pursuant to G.O.D International's organisational governance responsibilities.

13. Under paragraphs 15 to 17, the Petitioner maintained that G.O.D International was neither a member nor a director of the Respondent and therefore had no legal authority to influence or sanction the Respondent's management decisions. He further alleged that his purported removal from the Respondent on the basis of events allegedly occurring within G.O.D International rendered the removal substantively and procedurally defective, unlawful and void.

14. The Petitioner also contended that his purported removal was merred with procedural irregularity to wit; the failure to issue a 21 days' notice before the purported general meeting, the failure to issue a special notice legally required before removing a director, the failure to afford the Petitioner an opportunity to be heard before his removal and imposing the will of G.O.D International in the purported removal of the Petitioner.

15. The Petitioner also averred that he was subjected to oppressive conduct. The conduct complained of included;

a) Denying the Petitioner access to Company premises.

b) Denying the Petitioner access to books of accounts, financial records and company assets.

c) Excluding the Petitioner from Company operations, meetings and governance in general.

d) Refusing to avail the Petitioner with a comprehensive report detailing conduct of affairs of the Company.

16. The Petitioner made the following prayers in the petition;

a) A declaration that the removal of the Petitioner as a director vide ordinary resolution passed on the 08th October 2025 and registered on the 14th October 2025, was procedurally defective, illegal and is void.

b) A declaration that the affairs of the Respondent are being conducted in a manner that is oppressive to the interests of the Petitioner as the original founding member of the Company.

c) An order expunging the above-mentioned ordinary resolution from the Company register and restoring the status quo ante.

d) An order granting the Petitioner unlimited access to the Company premises, operations, management and governance.

e) An order directing the Respondent to make a complete account of all assets and finances from the date of the Petitioner's illegal removal to date

f) An order for payment of general damages for material distress and inconvenience

g) Costs of the petition.

D. <u>Respondent's case</u>

17. The Respondent's case was presented by Nyago John, who under paragraphs 1 and 2 of his statutory declaration averred that he was an adult Ugandan of sound mind, a member and director of the Company, and was well conversant with the facts giving rise to the Petition. He further stated that with the assistance of his

legal counsel, he had read and understood the contents of the Petitioner's statutory declaration and responded to the allegations therein.

18. Under paragraphs 3 and 4 of his statutory declaration, Nyago John contended that although the Company was incorporated on 25th October 2016, he formally became a member on 11th October 2019 upon subscribing to the Company's amended Memorandum and Articles of Association which were filed with the Companies Registry on 6th November 2019. He further contended that he was appointed a director of the Company by way of Company Form 20 which was registered with the Companies Registry on 21st June 2019. He averred that since his appointment, the composition of the Company's Board had evolved, including the appointment of two additional directors, namely Lubega Francis and Kimbugwe Peter in April 2025.

19. Under paragraphs 5 and 6, Nyago John denied the Petitioner's assertion that he was the primary conceptualizer and driving force behind the incorporation of the Company in Uganda. Nyago John contended that at the material time, he served as the Ugandan host for G.O.D International and worked alongside other Ugandan hosts, including Peter Kimbugwe, Lawrence Ssemakula, Francis Lubega and Josephine Ssemakula. He attached email correspondence in support of his position. He maintained that he spearheaded the research, consultations and recommendations leading to the incorporation of the Company in Uganda. He also maintained that he worked alongside legal counsel to ensure compliance with Ugandan law.

20. Furthermore, under paragraphs 7 and 8, Nyago John denied the Petitioner's contentions that he had invited Cameron Jeffrey and Amanda Terese to participate in the formation of the Company and that he was the sole vision bearer and architect of the Company. He maintained that these contentions were false and expressly denied them. Nyago John also denied the Petitioner's assertion that he

served as the Company's Chief Executive Officer. He contended that the Petitioner had never been formally appointed as Chief Executive Officer in accordance with Articles 45–47 of the Company's Memorandum and Articles of Association. He further asserted that being a foreign national, the Petitioner did not possess a valid work permit or employment authorization permitting him to lawfully work or serve as Chief Executive Officer of the Company in Uganda.

21. In response to the Petitioner's averments concerning the contested Company resolution, Nyago John contended under paragraph 9 of his statutory declaration that in 2025, the members and directors of the Company became aware of several serious allegations of criminal and immoral conduct against the Petitioner, including sexual misconduct, sexual trafficking and financial impropriety. He further contended that following these allegations, the Board of G.O.D International suspended the Petitioner and barred him from accessing its premises pending investigations into the allegations. He therefore maintained that there was no corporate impropriety on the part of the Company in taking the subsequent action against the Petitioner.

22. Under paragraphs 10 and 11, Nyago John contended that on 8th October 2025, the Petitioner voluntarily tendered his resignation from all leadership positions within G.O.D International entities, acknowledging that his conduct lacked integrity and had caused harm to the G.O.D community. He further contended that the Board of G.O.D International formally accepted the Petitioner's resignation and passed a resolution confirming and giving effect to the same. Nyago John maintained that following the Petitioner's voluntary resignation from his positions in G.O.D International, his office as a director of the Company became vacant by operation of law and pursuant to the Company's Memorandum and Articles of Association, specifically Article 30(c). He contended that consequently, the remaining members of the Company passed the contested

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resolution dated 14th October 2025 to update the records maintained by the Companies Registry by recording the Petitioner's resignation and appointing directors to the Company.

23. Nyago John also contended under paragraph 12 of his statutory declaration that the Petitioner's claim that he had been unlawfully removed from the Company's directorship was false as the Company had not instituted any removal proceedings against him. Rather, he maintained that the Company merely filed changes in directorship following the acceptance of the Petitioner's resignation from G.O.D International. Nyago John further contended that pursuant to Article 13 of the Company's Memorandum and Articles of Association, failure to give notice of a meeting did not invalidate the proceedings conducted at the meeting.

24. Under paragraphs 13 and 14, he averred that there was no reappointment of Peter Kimbugwe, Francis Lubega or himself as alleged by the Petitioner. Nyago John contended that they had been validly appointed as directors before and that the subsequent resolution was passed to formally record the Petitioner's resignation and appoint Aasabey Rylan and Kagay Cameron as new directors of the Company. He further contended that the filings relating to changes in the directorship of the Respondent merely reflected the composition of the Board following each change. He maintained that the filings constituted official records of the Company's prevailing directorship and were not evidence of multiple reappointments.

25. Nyago John asserted that following the Petitioner's resignation, the Company issued a cease and desist notice restraining the Petitioner from interfering with the Company's affairs and day to day operations. He maintained that there was no corporate impropriety on the part of the Company as alleged. Nyago John further asserted that the premises from which the Company currently operates are his personal property and that the Company neither owns nor leases the premises.

26. In support of his contention that the Company was affiliated with G.O.D International, Nyago John contended that in the filings submitted to the National Bureau for Non-Governmental Organizations on 21st June 2019, the Company expressly declared itself to be an affiliate of G.O.D International. He further contended that throughout his association with the Company, the Petitioner had represented the Company as an affiliate of G.O.D International and that the two entities had publicly conducted themselves as affiliated organizations. Nyago John further asserted that the affiliation between the Company and G.O.D International was demonstrated by inter-company funding and financial support, direct transfers of resources and assets, public representations by G.O.D International identifying the Company as its East African headquarters, and the integrated governance and operational relationship between the two entities.

27. Furthermore, Nyago John asserted that Article 61 of the Company's Memorandum and Articles of Association provides that disputes concerning the affairs of the Company shall be referred to arbitration in Kampala before a single arbitrator appointed in accordance with the Arbitration and Conciliation Act. He further contended that he had been advised by his legal counsel that where parties are bound by an arbitration clause, a court or administrative tribunal, including the Companies Registry, ought to decline to entertain such matters and refer the parties to arbitration. Nyago John consequently asserted that the Registrar lacked the legal mandate to bypass the arbitration clause and prayed that the matter be referred to arbitration.

28. Under paragraphs 20 and 21, Nyago John asserted that in light of the serious allegations against the Petitioner and the substantial reputational and financial risks posed to the Company and the wider G.O.D International network, the measures taken by the Company were reasonable and necessary and were undertaken solely to safeguard the interests of the Company and its stakeholders.

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He maintained that it was just, equitable and in the interest of justice that the Petitioner's claims be dismissed with costs to the Company as he is not entitled to the remedies sought in the Petition.

E. *Petitioner's rejoinder*

29. The Petitioner under paragraphs 1, 2 and 3 of his statutory declaration in rejoinder contended that M/s Buwembo & Co. Advocates were conflicted from representing the Respondent because they previously acted as his legal advisers and handled matters relating to the Respondent while he served as its founder, director, and Chief Executive Officer. He asserted that the firm acquired confidential information material to the dispute and should therefore be disqualified from acting in the proceedings.

30. The Petitioner further argued that the Respondent's proposed reliance on Article 61 of its Articles of Association to compel arbitration was misconceived. He maintained that the provision is permissive rather than mandatory, did not oust the jurisdiction of the Registrar of Companies and as such could not bar the determination of the petition by the Registrar.

31. Under paragraph 4 of his rejoinder, the Petitioner challenged the Respondent's account of the company's formation and asserted that John Nyago merely assisted with incorporation activities under his direction and was not a founding member or director of the company and only appointed as a director in 2019. The Petitioner relied on email and text message correspondence to show that Nyago John sought his guidance and approval on incorporation matters and contended that claims portraying Nyago John as the "primary conceptualizer" of the Respondent Company were false.

32. Under paragraph 5, the Petitioner argued that the Company was a separate legal entity from G.O.D International and that allegations concerning his suspension or resignation from G.O.D International could not lawfully affect his status as a

member or director of the Respondent Company. He further stated that any resignation from G.O.D International was made under duress and was not addressed to the Respondent Company. The Petitioner also contended that his removal as a director was unlawful because the Respondent failed to comply with provisions of the Companies Act Cap, Cap 106. He asserted that he was not served with the mandatory 21-day notice of meeting, was not given the special notice required for removal of a director and was denied an opportunity to be heard before the resolution was passed.

33. The Petitioner also rejected the Respondent's contention that he was not a member of the company. He maintained that he was an original subscriber and founding member of the Respondent, relying on the company's Articles of Association and incorporation documents as evidence of his membership status in the Company.

34. Under paragraph 6, the Petitioner contended that whereas the company's land at Block 78 Plot 898 was registered in the name of John Nyago, it was acquired for the benefit of the Respondent Company in 2012 and funded by G.O.D International through several instalments. He maintained that Nyago John agreed to hold the land in trust pending incorporation of the company and that records of payment together with correspondence involving Buwembo & Co. Advocates could be relied upon support this position.

35. Under paragraphs 6(e), 7, 8, 9 and 10, the Petitioner concluded that John Nyago's claim to personal ownership of the land amounts to a breach of fiduciary duty and was tainted by fraud. The Petitioner therefore urged the Registrar to grant the remedies sought in the Petition, arguing that he had suffered oppressive conduct and that substantive justice required restoration of his rights and rectification of the Companies register.

F. *__Directions to submit written submissions__*

36. Having heard the matter and received evidence from both parties by way of

Statutory Declaration pursuant to Section 286 of the Companies Act Cap 106, I informed Counsel to file written submissions and issued schedules as outlined below;

a) *Written submissions from the Petitioner were to be filed and served by 4th September 2026.*

b) *Written submissions from the Respondent were to be filed and served by the 11th day of September 2026.*

c) *Any submissions in rejoinder were to be filed and served by the 16th day of September 2026.*

37. I informed the parties that the ruling would be issued on notice

G. *Issues*

38. For purposes of resolving this dispute, I find that three issues are sufficient to determine the matter conclusively.

a) *Whether the preliminary objections raised by the parties are meritorious and sufficient in law to render the Petition incompetent?*

b) *Whether the contested documents were legally obtained and filed at the Companies registry?*

c) *Whether any oppression was occasioned to the Petitioner within the meaning of Section 243 of the Companies Act, Cap 106?*

d) *What remedies are available to the parties?*

H. *Determination*

a. *Whether the preliminary objections raised by the parties are meritorious and sufficient in law to render the Petition incompetent?*

39. A preliminary objection is a pure point of law raised at the outset of proceedings which, if successfully argued, may dispose of the suit or application without the need to consider evidence on the merits.

40. The law is settled that a preliminary objection, being a threshold issue capable of disposing of a matter, should be raised and determined before the court or tribunal embarks on the substantive merits of the dispute. In ***Mukisa Biscuit Manufacturing Co. Ltd v West End Distributors Ltd [1969] EA 696***, Court observed that *"A preliminary objection consists of a point of law which has been pleaded, or which arises by clear implication out of pleadings, and which if argued as a preliminary point may dispose of the suit."*

41. Furthermore, in ***Kasozi Dembe Godfrey v Byaruhanga Robert & Others (Civil Suit 30 of 2024) [2025]***, court in reaffirming ***Mukisa Biscuit (supra)*** observed that *"a preliminary objection should be restricted to the pleadings of the party against whom the objection is brought and should not delve into the substantive merits of the case."*

42. The Petitioner raised a preliminary objection on the ground that there existed a conflict of interest between the Respondent's advocates, Buwembo & Co. Advocates, and the Petitioner. It was the Petitioner's contention that Buwembo & Co. Advocates had previously acted for the Company in its incorporation and had also undertaken legal work on behalf of the Petitioner.

43. The Respondent Company also raised a preliminary objection concerning the Registrar's jurisdiction to determine the Petition. It was the Respondent's contention that the parties to the Petition were bound by Article 61 of the Company's Memorandum and Articles of Association which provided for mandatory arbitration in Kampala in the event of any dispute or controversy arising out of or relating to the affairs of the Company.

Whether Buwembo & Co. Advocates is conflicted from representing the Respondents.

44. The Petitioner raised a preliminary objection on the ground that Buwembo & Co. Advocates was conflicted from representing the Respondent due to the firm's previous involvement in the incorporation of the Company and the legal work allegedly undertaken for the Petitioner. The objection is premised on the

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contention that the advocates' previous relationship with the Petitioner renders their continued representation of the Respondent improper. The Petitioner

45. Regulation 4 of Advocates (Professional Conduct) Regulations SI 267-2 provides that '*An advocate shall not accept instructions from any person in respect of a contentious or non-contentious matter if the matter involves a former client* <u>*and the advocate as a result of acting for the former client is aware of any facts which may be prejudicial to the client in that matter*</u>.'

46. In interpretation of the provision above, the existence of a previous advocate-client relationship in itself does not suffice to establish a conflict of interest. It must be shown that there is a substantive connection between the advocate's previous assigned engagement and the matter in which the advocate is presently engaged. Further, the advocate must be shown to possess confidential information obtained during the previous engagement which is pertinent to the current matter and capable of being used to prejudice the former client.

47. In ***Uganda vs Patricia Ojangole (Criminal Case No. 1 of 2014) [2014] UGHCACD 3,*** Justice Lawrence Gidudu observed that; *It is both the actual and the perception that counts when tracing conflict of interest in a transaction. It is what a reasonable person would conclude while viewing the transaction from a distance that counts. It is related to the rule against bias. The old adage that justice must not only be done [but] must be seen to be done applies to conflict of interest*. He added; "*Conflict of interest ... has also been generally defined as any situation in which an individual or corporation is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit. Conflict of interest is founded on the existence of a fiduciary relationship between a lawyer and client*.

48. In the premises, in considering the actual and perceived engagements alleged by the Petitioner, it is not disputed that Buwembo & Co. Advocates was engaged to incorporate the Respondent Company in 2016. Whereas the Petitioner further

contended that he personally engaged the said law firm on various other assignments, however the Petitioner did not adduce any evidence to substantiate the alleged personal engagements or demonstrate that he as opposed to the Respondent Company was the client in respect of those assignments and neither has the Petitioner demonstrated that the previous legal work was substantially related to the present dispute concerning his alleged removal from the Company's directorship.

49. In ***Fred Nyeenya Mayambala & 2 Others v Bisaso Nathan, Civil Suit No. 263 of 2005***, the High Court in considering an objection based on an alleged conflict of interest arising from prior representation found that although the advocate had previously represented the estate of the deceased, he had not represented the plaintiffs in their personal capacities. The Court found that no conflict of interest arose from the advocate's prior representation. In the circumstances of the present matter, the fact that the said law firm was engaged to incorporate the Respondent Company or acted for it, of which the Petitioner was a founding member and director, does not in itself establish that the firm acted for or represented the Petitioner personally.

50. Furthermore, the Petitioner did not demonstrate that Buwembo & Co. Advocates are in possession of any confidential information obtained from him or otherwise relating to his affairs which is relevant to the present petition and capable of prejudicing his case.

51. From the foregoing, the Petitioner adduced no evidence to establish that the firm previously represented him personally in any dispute or transactional matter, that the firm obtained confidential information from him which is material to the present petition, or that any such information is being used against him in the present proceedings. I therefore find that no conflict of interest arises from Buwembo & Co. Advocates' representation of the Respondent Company in the

present petition.

Whether the arbitration clause ousts the Registrar's jurisdiction

52. The Respondent raised a preliminary objection in regards to the Registrar's mandate to determine the current petition. The Respondent relied on Article 61 of the Company's Memorandum and Articles of Association which provided for mandatory arbitration in Kampala in the event of any dispute or controversy arising out of or relating to the affairs of the Company.

53. It is trite that jurisdiction is a creature of statute and no Court or tribunal can confer upon itself jurisdiction and where a court that has no jurisdiction entertains a matter any proceedings arising therefrom are a nullity. ***(See Baku Raphael & Anor V AG SCCA No.1 of 2005 cited with approval in National Medical Stores V Penguins Ltd HCCS No. 29 of 2010).*** The learned Justice Musa Ssekaana in ***Company Cause No.13 of 2020, Bryan Xsabo Strategy Consultants (Uganda) Limited & 2 Ors V Great Lakes Energy Company N.V*** found that, '*the exercise of power by the Registrar of Companies contemplates the adjudication of rival claims… they decide both questions of fact as well as of law and determine a variety of applications, claims, controversies and disputes.*' It follows from this authority that the Registrar of Companies possesses jurisdiction to entertain and adjudicate over questions of both fact and law.

54. The Registrar of Companies statutory jurisdiction relates to the exercise of two distinct powers, firstly is the power to hear and determine complaints by an oppressed member under Section 243 of the Companies Act Cap 106, and secondly is the power to rectify a company's register and expunge documents that constitute an error, are misleading, inaccurate, issued in error, contain entries or endorsements made in error, contain an illegal endorsement, are illegally or wrongfully obtained or which a court has ordered the registrar to expunge from the register all pursuant to Regulation 8 of the Companies (Powers of the

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Registrar) Regulations SI No 71 of 2016.

55. The Petitioner's contentions as set out in the present petition concern both alleged oppression and rectification of the register through the expungement of the contested documents fall within the purview of the Registrar of Companies pursuant to section 243 of the Companies Act, Cap. 106 and Regulation 8 of the Companies (Powers of the Registrar) Regulations, respectively.

56. However, I observe that the Respondent seeks to oust the statutory jurisdiction of the Registrar by invoking the arbitration clause under Article 61 of the Company's Memorandum and Articles of Association. I find no merit in this contention. Whereas this Office recognizes alternative dispute resolution mechanisms and is mandated to facilitate and enforce them under Regulation 34 of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016, the arbitration clause between the parties cannot operate to oust, suspend or limit the statutory power expressly conferred upon the Registrar in regard to rectification of the register.

57. This position was addressed by Justice Musa Ssekaana in ***Bryan Xsabo Strategy Consultants (Uganda) Limited (supra)*** wherein he observed that "*the arbitration clause or process cannot be used suspend the powers of registrar to do what the law mandates the office to do. The notification about arbitration process cannot be used to suspend or stop the Registrar from executing their duties under the law*."

58. Accordingly, I find that the arbitration clause contained in the Company's Memorandum and Articles of Association does not oust, limit, or otherwise fetter the Registrar's statutory mandate to maintain the accuracy and integrity of the company register. The jurisdiction exercised by the Registrar in rectification proceedings is not founded merely on the contractual rights and obligations of the parties, but on a statutory responsibility to ensure that the register reflects the lawful and accurate state of the Company's affairs. In that capacity, the Registrar acts as a gatekeeper of the integrity of the register and is required to inquire into

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and, where appropriate, rectify entries that are shown to be erroneous, unlawful, or otherwise inconsistent with the statutory record.

59. The existence of an agreement to arbitrate may, in an appropriate case, govern disputes arising between shareholders or other parties in respect of their private rights and obligations. It cannot, however, be invoked to prevent or disable the Registrar from discharging a statutory function conferred upon the office in the public interest. To hold otherwise would permit a private contractual arrangement to restrict the exercise of a statutory power and would undermine the very purpose of maintaining an authoritative and reliable public register. Arbitration therefore cannot be deployed as a shield against, or as a weapon to curtail, the Registrar's statutory authority to investigate and, where the requisite grounds are established, rectify the Company's register.

b) Whether the contested documents were legally obtained and filed at the Companies registry?

60. The Petitioner challenged the filing of an ordinary resolution dated 8th October 2025 and filed with the Registry on 14th October 2025 by which he was purportedly removed as a director of the Company. The Petitioner contended that he was not served with the mandatory special notice required prior to the removal of a director, nor was he given the mandatory 21 days' notice of the purported general meeting. He further asserted that he was not accorded an opportunity to be heard at the said meeting.

61. The Respondent maintained that the Petitioner's removal as a director was premised on his resignation as a director of G.O.D International following allegations of sexual misconduct and financial impropriety. The Respondent further contended that given the affiliation between the Company and G.O.D International, the circumstances surrounding the Petitioner's resignation and the

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decisions arising therefrom had implications for the Company and justified his removal as a director.

62. Whereas the Respondent adduced evidence concerning the Petitioner's resignation from all positions held in G.O.D International, the issue for determination is whether the circumstances and decisions relating to the Petitioner's resignation from G.O.D International can properly be relied upon by the Respondent Company as a basis for his removal as a director.

63. It is a well-established principle of company law that a company is a legal person separate and distinct from its members, directors and promoters. This principle was firmly established in ***Salomon v A Salomon & Co Ltd [1897] AC 22***. The separate legal personality of a company is not displaced merely because it is affiliated with or forms part of the same group as another company. Each company within a group remains a separate legal entity except in circumstances recognised by the law such as fraud, improper conduct or other grounds justifying the lifting of the corporate veil. (See: ***Jamal and Others v Uganda Oxygen Ltd and Others (Civil Appeal No. 64 of 1995) [1997] UGSC 4***.)

64. Furthermore, considering the separate corporate personality of companies, the resignation of a director from one company does not imply resignation from other companies merely because the companies are affiliated. This position was discussed by the High Court of Malawi in ***Candlex Limited V Mark Katsonga Phiri Civil Cause Number 713 of 2000*** where it was opined that "*Where the directorship is multifaceted and cannot be confined to the activities of one company, resignation of one directorship does not necessarily imply resignation of other directorships.*"

65. In the premises, notwithstanding that the Petitioner was a director of both G.O.D International and the Respondent Company, his resignation as a director of G.O.D International cannot be construed as a resignation from the Respondent Company.

The two companies are separate legal entities, each possessing a distinct corporate personality.

66. I will now proceed to access whether the Petitioner was rightly removed as a director of the Respondent Company.

67. Directors in a private company in Uganda are removed by members through an ordinary resolution (see: *sec 191(1) of the Companies Act Cap 106.*) However, their removal is subject to the issuance of a special notice to the director as emphasized under section 191(2) of the same Act. Justice Anna B. Mugenyi in ***Kirima Ltd & 4 Ors Vs. Dr. Hamlet Kabushenga HCCS No.0018 of 2022*** held that, *'as required by law, companies can only remove directors through an ordinary resolution, it is also a requirement of the law <u>that special notice shall be sent to the director purported to be removed</u> and <u>the director shall be entitled to be heard in the resolution</u>. This requirement is mandatory.'*

68. In the premises, the Respondent did not adduce any evidence to confirm that the Petitioner was issued with a special notice or given audience on whether he intended to resign before his removal as a director of the Company. Furthermore, no evidence was adduced to establish that the Petitioner was accorded an opportunity to be heard before his removal as a director. Whereas the Respondent contended that it was merely enforcing the Petitioner's resignation from G.O.D International, this contention does not in itself justify the Petitioner's removal from the directorship of the Respondent Company or dispense with the requirement to accord him an opportunity to be heard.

69. Additionally, section 136 of the Companies Act Cap 106 is to the effect that such meetings shall be called by *a twenty-one (21) days' notice in writing*. Upon perusal of the evidence presented by the Respondents, there is no indication that such notice was issued in respect of the purported meeting.

70. From the foregoing, I find that the contested ordinary resolution dated 8th October 2025 and filed with the Companies Registry on 14th October 2025 was improperly filed, having been passed in circumstances where the mandatory requirements relating to special notice and notice of the meeting were not complied with, and the Petitioner was not accorded an opportunity to be heard before his removal as a director.

71. I also observe that the Petitioner challenged the cease-and-desist letter dated 12th October 2025, by which he was barred from accessing the Company's premises, prohibited from working for or representing the Company in any capacity, and required to surrender all Company property in his possession. However, the said letter does not constitute, and does not form part of any entry in the register maintained by the Registrar of Companies. It is in substance, a directive concerning the Petitioner's access to the Company, his role or engagement with the Company, and his possession of Company property. These matters, although potentially contentious and capable of giving rise to enforceable rights or remedies, do not, without more, fall within the scope of rectification of the company register.

72. I am also cognizant of the Petitioner's prior contention that the Respondent's advocates, Buwembo & Co. Advocates were conflicted by virtue of having assisted the Company, on his instructions, in acquiring land and that the cease and desist letter was intended to prevent him from accessing the same land on which the Company's premises are situated. However, I find no nexus between the matters relating to the cease and desist letter and the land transaction contended by the Petitioner and the issues presented for determination before the Registrar, namely, oppression and rectification of the Companies Register. I accordingly find that the matters relating to the cease and desist letter and the land transaction complained

of do not fall within the mandate of the Registrar of Companies and therefore do not arise for determination in these proceedings.

73. The Registrar's jurisdiction in rectification proceedings is directed at the accuracy and integrity of the statutory register and is not a general jurisdiction to adjudicate every dispute arising between a company and its shareholders, directors, officers, or other persons associated with it. In the absence of a demonstrated nexus between the impugned cease-and-desist letter and an entry or omission in the register requiring rectification, the Registrar cannot properly pronounce upon the validity, enforceability, or consequences of that letter. I am therefore constrained to decline to determine that aspect of the Petition, without prejudice to the Petitioner's right, if any, to pursue such remedies before a forum possessing the requisite jurisdiction.

c) ***Whether any oppression was occasioned to the Petitioner within the meaning of Section 243 of the Companies Act, Cap 106?***

74. The Petitioner complained of various acts, which he alleged constituted oppressive conduct. These included denying him access to the Company's premises, books of account, financial records and Company assets; excluding him from the Company's operations, meetings and governance generally; and refusing to provide him with a comprehensive report on the conduct of the affairs of the Company.

75. Oppression under Section 243 of the Companies Act Cap. 106 connotes actions towards a member of a company that are burdensome, harsh, or wrongful, and which violate a member's reasonable expectations of how the company should be run. Lord Cooper in ***Elder vs Elder & Watson Ltd. [1952] SC 49***, observed that '.... *oppression requires a visible departure from standards of fair dealing and an infringement on the aggrieved party's proprietary or participatory rights'*. For the Petitioner in this matter to succeed on the ground of oppression under the Companies Act, he must

demonstrate that he was oppressed in his personal capacity as a member of the Company.

76. ***In Re Five Minutes Car Wash Services Ltd***., Buckley J held that a member seeking relief for oppression must plead and *prove that, at the time of filing the petition, the company's affairs were being conducted in a manner oppressive to him in his capacity as a member.* The petition must disclose facts capable of establishing such oppression, the failure of which could lead to a dismissal of the matter. He further held that only conduct affecting the petitioner's rights as a member qualifies, and unfair treatment in other capacities, such as a director, creditor, or business associate, did not suffice as a claim for oppression.

77. Furthermore, in ***Cliff Masagazi v Afriland First Bank Uganda Ltd (Company Cause No. 08 of 2020)*** Hon. Justice Musa Ssekaana held that '*Oppressive conduct ...necessitates a course of conduct, not mere isolated acts...involving an invasion of legal rights, displaying lack of probity on the part of those conducting the company's affairs, and affecting the Petitioner in his capacity as a member*.

78. In considering the foregoing authorities, it is pertinent to establish first, that the Petitioner is a member of the Company; second, that the conduct complained of is oppressive; and third, that such conduct was continuing in nature and did not constitute merely an isolated event.

79. Membership of a company is provided for under Section 45 of the Companies Act, Cap. 106, which stipulates as follows;

    (1) The subscribers to the memorandum, if any, 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.

    (2) 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.

80. The records available at the Companies Registry establish that the Petitioner was a member of the Company at the time of its incorporation. His name appears together with those of Jeffrey Kagay and Amanda Terese Aaseby in the Company's initial Memorandum and Articles of Association dated 25th October 2016. However, the Company's records further show that following a resolution filed on 6th November 2019, the membership of the Company was altered, with John Nyago, Peter Kimbugwe, Josephine Nakimuli and Francis Lubega reflected as members of the Company. The amended Memorandum and Articles of Association dated 6th November 2019 similarly reflect the altered membership.

81. The Petitioner did not place before the Registry sufficient documentary or other credible evidence demonstrating that, following 6th November 2019, his name continued to appear in the Company's register of members or that he otherwise retained membership of the Company. In particular, no updated register of members or other contemporaneous company record was produced to establish that the Petitioner continued to be a member in the Company after that date. In the absence of such evidence, I am unable to find, on the balance of the evidence before me, that the Petitioner remained a member of the Company after 6th November 2019.

82. I must, however, draw a clear distinction between the status of membership and that of directorship. These are legally distinct capacities, and the fact that a person continues to serve as a director does not, without more, establish that he continues to be a member of the Company. Depending on the Company's Articles of Association and the applicable law, a person may cease to be a member while continuing to hold office as a director. Conversely, the cessation of directorship does not necessarily determine the question of membership. The Petitioner's continued status as a director is therefore insufficient, in itself, to establish that he retained membership of the Company.

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83. Having considered the evidence placed before me, I find that the Petitioner has failed to establish that he remained a member of the Company after 6th November 2019. This finding is material because, at the time of the conduct complained of in 2025, the Petitioner was required to establish that he possessed the statutory status necessary to invoke the remedy provided under section 243 of the Companies Act. In the absence of evidence establishing his membership at the material time, the Petitioner has not satisfied this threshold requirement. The complaint of oppression therefore fails at the threshold on the issue of standing.

84. For the avoidance of doubt, this finding should not be construed as a determination that the conduct complained of was necessarily fair, proper or otherwise unobjectionable in relation to the Petitioner in his capacity as a director or former office holder of the Company. I make no determination on the substantive merits or otherwise of those allegations. My finding is confined to the preliminary and determinative question of whether the Petitioner has established the statutory status required to invoke the remedy under section 243. A person's grievance, however genuine, cannot confer statutory standing where the prescribed legal status has not been established.

85. Accordingly, having regard to the evidence before me and the statutory requirements under section 243 of the Companies Act, I find that the Petitioner has not established that he was a member of the Company at the material time and, consequently, has not established the requisite standing to maintain a claim for oppression under that provision. The Petition alleging oppression under section 243 therefore fails on this threshold ground.

d) <u>What remedies are available to the parties?</u>

86. Pursuant to the Companies Act, Cap 106, the Registrar of Companies' statutory jurisdiction in matters of this nature encompasses two distinct powers. First, the Registrar may hear and determine a complaint by an oppressed member pursuant

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to Section 243 of the Companies Act, Cap. 106, as discussed under the preceding issue. Second, the Registrar has the statutory power to rectify the Companies Register pursuant to Regulation 8(1) of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016.

87. The present matter involved two interrelated issues namely, whether the Petitioner was subjected to oppressive conduct and whether the Companies Register ought to be rectified in respect of the contested corporate changes. I have determined the issue of member oppression in the negative, but I have found in the affirmative that the circumstances warrant rectification of the Companies Register.

88. Regulation 8(2) further provides that the Registrar may expunge from the Register any information or document included in the Register which:

    a) *Is misleading*
    b) *Is inaccurate*
    c) *Is issued in error*
    d) *Contains an entry or endorsement made in error*
    e) *Contains an illegal endorsement*
    f) *Is illegally or wrongfully obtained*

89. Having found that the contested resolution removing the Petitioner as a director and filed with the Companies Registry was illegally and wrongfully obtained, I find that it falls within the grounds contemplated under Regulation 8(2), particularly as documents that are misleading, inaccurate or wrongfully obtained. I find it sufficient to expunge the contested Company resolution and any documents and forms predicated upon them from the Companies Register.

90. It is incumbent upon the Company, when seeking to remove a director from office, to strictly comply with the procedure prescribed by its Articles of Association and the applicable provisions of the Companies Act. The procedure for removal of a

director is not a matter of mere internal convenience or a technical formality; it constitutes a statutory safeguard intended, among other things, to protect the affected director from arbitrary or procedurally improper removal. Accordingly, where the law requires a special notice of the proposed resolution, the Company must duly issue and serve such notice in accordance with the prescribed requirements and afford the affected director the opportunity to make representations and be heard before the resolution is considered.

91. It follows that a resolution purporting to remove a director can only be regarded as lawfully obtained where the prescribed procedural safeguards have been observed. The consequential filing or notification to the Registrar, including the relevant form seeking to remove the director from the register, must necessarily derive its validity from a resolution that was itself validly passed in accordance with the law and the Company's Articles. Where the foundational resolution is passed without the requisite special notice or without affording the affected director the hearing guaranteed by law, the subsequent filing cannot, by itself, cure that procedural defect. The Registrar is therefore entitled, in considering the accuracy of the register, to satisfy himself that the purported removal was founded upon a resolution validly made in accordance with the statutory and constitutional requirements stipulated under the Company's Articles of Association.

92. Accordingly, pursuant to Regulations 8 and 32 of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016, I make the following orders:

   1) *The Petitioner was not subjected to oppression as he was not member of the Company at the time acts complained of took place.*

   2) *The ordinary resolution passed on the 08th October 2025 and registered on the 14th October 2025 is to be expunged for having been illegally and wrongfully obtained.*

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3) *The Company form 20 dated 12th October and filed on 14th October 2025 omitting the Petitioner as a director of the Company be expunged for having been wrongfully obtained.*
4) *The Register of the Company shall, insofar as affected by the impugned filings, be restored to the position before the contested impugned filings.*
5) *I make no order as to costs.*

I so order.

Given under my hand this 18th day of September 2026

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Daniel Nasasira

Assistant Registrar of Companies