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HOUSING FINANCE INSTITUTIONS  
MODEL MEMORANDUM AND ARTICLES OF ASSOCIATION FOR  
A HOUSING FINANCE COMPANY INCORPORATED  
UNDER THE LAW RELATING TO COMPANIES

M69-2381

THE COMPANIES ACT (CAP. (...)) OR OTHER LAW RELATING TO COMPANIES

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COMPANY LIMITED BY SHARES

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MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF

HOUSING FINANCE COMPANY  
OF (.....) LIMITED

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Incorporated the (....) day of (.....) 19..

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THE COMPANIES ACT (CAP. (...)) OR OTHER LAW RELATING TO COMPANIES  
COMPANY LIMITED BY SHARES

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Memorandum of Association

o f

HOUSING FINANCE COMPANY OF (.....) LIMITED

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1. The name of the Company is "HOUSING FINANCE COMPANY OF (.....) LIMITED".
2. The registered office of the Company will be situated in (.....)
3. The objects for which the Company is established are:-
  - (A) To advance money to any person (not being a member of the Company) upon security by way of mortgage of land (including any building or other structure or improvement erected or constructed thereon) situate in (.....) or upon other marketable security, and in particular (but without derogation from the generality of the foregoing) to advance money upon the security of, or for the purpose of enabling the person borrowing the same to erect or purchase or enlarge or repair, any house or building, or to enable such person to acquire any estate or interest in any land upon such terms and conditions as the Company may think fit.
  - (B) To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, either with or without security and, in particular, by the issue of bonds and loan notes, and debentures or debenture stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital, and also in similar manner to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or such other person or company as the case may be.

- (C) To acquire by purchase, lease, exchange, hire or otherwise, lands and property situate in (.....) of any tenure, or any estate or interest in the same or any rights over or connected with such lands and property; and to develop the same by preparing building sites and by constructing, altering, improving, decorating, furnishing and maintaining cottages, houses, offices, flats, shops, schools, hotels, buildings, works and conveniences of all kinds.
- (D) To manage land, buildings and other property situate in (.....) whether belonging to the Company or not, and to collect rents and income.
- (E) To carry on all or any of the following businesses, namely, builders and contractors, decorators, merchants and dealers in stone, sand, lime, bricks, timber, hardware and other building requisites, brick and tile makers, carriers, and house agents.
- (F) To sell, lease, let or dispose of any land, houses or other buildings belonging to or constructed by the Company to any persons, companies or bodies.
- (G) To give any security in relation to mortgages, loans, investments and securities, and generally to guarantee or become sureties for the performance of any contracts or obligations.
- (H) To sell, lease, grant licences, easements and other rights over, and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit and, in particular, for stocks, shares or securities of any other company.
- (I) To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes and other negotiable or transferable instruments.
- (J) To subscribe for, underwrite, purchase or otherwise acquire and to hold, dispose of and deal in shares, stocks and securities of any company or undertaking, the acquisition of which shall be considered likely to advance, directly or indirectly, the objects of the Company.
- (K) To promote any company whose objects shall include the acquisition of all or any of the assets or liabilities of the Company or the promotion of which shall be considered likely to advance, directly or indirectly, the objects of the Company.

- (L) To amalgamate, enter into joint working arrangements or co-operate in any way with any companies, institutions, societies or associations having objects altogether or in part similar to those of the Company, to purchase or otherwise acquire and undertake all or any part of the undertaking, property, assets, liabilities and engagements of any one or more of such companies, institutions, societies or associations and to transfer all or any part of the property, assets, liabilities and engagements of the Company to any one or more of such companies, institutions, societies or associations; provided that, in so far as this sub-clause confers power to purchase or otherwise acquire immovable property, such power shall be exercisable only in relation to property situate in (.....).
- (M) To modify the constitution of the Company in any way which may be considered advantageous for carrying out the objects of the Company and to procure any law, charter, privilege, licence or authorisation from any government or other competent authority which may be necessary or expedient for that purpose.
- (N) To negotiate and enter into any arrangement with any authorities, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them.
- (O) To procure the registration of the Company in any place outside (.....).
- (P) To promote, enter into, contribute to, subsidise or otherwise aid any association, federation, institution, society or other organisation, whether national or international, which may be considered likely to advance, directly or indirectly, the objects of the Company.
- (Q) To grant pensions or gratuities to or establish or take part in establishing any pension fund or scheme for the benefit of any directors, ex-directors, employees or ex-employees of the Company or any company with which the Company may amalgamate or which it may control or of its predecessors in business, or the relations, connections or dependants of any such persons, and to establish or support associations, institutions, clubs and trusts calculated to benefit any such person or otherwise promote the objects of the Company.
- (R) To subscribe or guarantee moneys for the grant of scholarships and the provisions of any educational facilities which may be considered likely, directly or indirectly, to further the objects of the Company or the interests of its members.

- (S) To pay all costs, charges, commissions and expenses of and incidental to the promotion and registration of the Company, by cash or by the allotment of fully or partly paid shares or by the grant of any right or interest in respect of shares or in any such other manner as may be thought fit.
- (T) To invest any moneys of the Company not for the time being required for the general purposes of the Company in such investments (other than shares in the Company) as the Directors in the exercise of their judgement from time to time consider advisable, and to hold, sell or otherwise deal with such investments.
- (U) To distribute among the members of the Company in specie any property of the Company properly distributable among its members.
- (V) To do all or any of the things and matters aforesaid either as principals, agents, factors, trustees or otherwise, and by or through agents, factors, trustees or otherwise and either alone or in conjunction with others.
- (W) To do all such other things as may be considered to be incidental or conducive to the above objects or any of them.

The objects set out in any sub-clause of this clause shall not, except when the context so requires, be in any way limited or restricted by reference to or inference from the terms of any other sub-clause or by the name of the Company. None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause but shall be independent main objects.

4. The liability of the members is limited.

5. The share capital of the Company is (.....) divided into (.....) shares of (.....) each and the Company shall have the power to divide the original or any increased capital into several classes and to attach thereto any preferential, deferred, qualified or other special rights, privileges, restrictions or conditions.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Total number of shares taken

DATED the (....) day of (.....) 19..

WITNESS to the above Signatures:--

THE COMPANIES ACT (CAP. (...)) OR OTHER LAW RELATING TO COMPANIES

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HOUSING FINANCE COMPANY

OF (.....) LIMITED

#### APPLICATION OF SCHEDULES TO THE ACT

1. The regulations contained in the Schedules to the Act (as hereinafter defined) shall not apply to the Company except so far as the same are contained or repeated in these Articles.<sup>1/</sup>

#### INTERPRETATION

2. In these Articles the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite them respectively in the second column thereof, if not inconsistent with the subject or context.

WORDS	MEANINGS
(Name of Country) ...	
The Act.....	The Companies Act (Cap. (...)) or other law relating to companies and every statutory modification or enactment thereof for the time being in force in (name of country).
The Statutes.....	The Act and any other act for the time being in force in (.....) affecting the Company.
These Articles.....	These Articles of Association as originally framed or as altered from time to time by Special Resolution.

<sup>1/</sup> To be given consideration in each individual country according to local conditions.



The Directors.....	The Directors for the time being of the Company or the Directors, being a quorum, present at a meeting of the Directors.
Month.....	Calendar month.
The Office .....	The Registered Office for the time being of the Company.
The Secretary .....	The Secretary of the Company, and any assistant or deputy Secretary or other person appointed to exercise the functions of the Secretary.
The Register.....	The Register of Members kept by the Company.
The Seal.....	The Common Seal of the Company.
In writing.....	Written, printed or lithographed or in any other mode of representing or reproducing words in visible form.

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Words signifying the singular include the plural and vice versa.

Words signifying the masculine gender include the feminine gender.

"Person" shall have the meaning shown in the Interpretation Act of (country) or as otherwise interpreted by law.

Subject as aforesaid any words or expressions defined in the Statutes shall, unless inconsistent with the subject or context, bear the same meaning in these Articles.

#### PRIVATE COMPANY

Private Company 3. The Company is a Private Company and accordingly:-

(a) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who, having been formerly in the employment of the Company, were while in such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty. Provided that where two or more persons hold one or more shares in the Company jointly, they shall, for the purpose of this Article, be treated as a single member.

(b) Any invitation to the public to subscribe for any shares or debentures of the Company shall be decided upon by the Directors in meeting.

(c) The Company shall have power to issue share warrants to bearer.

(d) The right to transfer shares is restricted in manner hereinafter provided.

#### SHARES

4. (a) The share capital of the Company is (..... Shares  
.....) divided into (.....) shares  
of (.....) each.

(b) Without prejudice to any special rights previously Issue of  
conferred on the holders of any existing shares or class of Shares  
shares and subject to any restraints for the time being imposed  
by law any share in the Company may be issued with such prefer-  
red, deferred or other special rights or such restrictions,  
whether in regard to dividend, voting, return of capital or  
otherwise as the Company may from time to time by Special Reso-  
lution determine.

5. Subject to the provision of Article 4 any Preference Redeemable  
Shares may, with the sanction of a Special Resolution be preference  
issued on the terms that they are or, at the option of the shares  
Company, are liable to be redeemed on such terms and in such  
manner as the Company, before the issue of the shares, may by  
Special Resolution determine.

6. The Company may pay a commission to any person in con- Commission  
sideration of his subscribing or agreeing to subscribe, whether on shares  
absolutely or conditionally, or procuring or agreeing to procure  
subscriptions, whether absolute or conditional for any shares in  
the capital of the Company, such commission not to exceed 10 per  
cent of the price at which the shares are issued or an amount  
equivalent thereto. Any such commission may be paid or  
satisfied, in whole or in part, in cash or in fully paid shares  
or securities of the Company at par, or partly in one way and  
partly in another, as may be arranged.

7. If, at any time, the share capital is divided into Class  
different classes of shares, all or any of the rights attached meetings  
to any class (unless otherwise provided by the terms of the  
issue of the shares of that class) shall not be varied except  
by agreement between the Company and any person purporting to  
contract on behalf of that class, provided such agreement is  
ratified in writing by the holders of three-fourths in nominal  
value of the issued shares of that class, or is confirmed or  
sanctioned by a Special Resolution passed at a separate General  
Meeting of the holders of the shares of the class. To every Variation  
such separate General Meeting the provisions of these Articles of rights

relating to General Meetings shall mutatis mutandis apply but so that the necessary quorum shall be two persons holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.

Interest on  
share capital  
during  
construction

8. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of such share capital as is for the time being paid up, for the period and subject to any conditions and restrictions for the time being imposed by law and may charge the same to capital as part of the cost of construction of the works, buildings or plant.

Receipts of  
joint share-  
holders

9. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.

No trust  
recognised

10. No persons shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder.

Registered  
member  
entitled to  
share  
certificate

11. Every member shall be entitled, without payment, to receive within sixty days after allotment or lodgement of transfer (unless the conditions of issue provide for a longer interval) one certificate for all the shares registered in his name, specifying the number and denoting numbers of the shares in respect of which it is issued and the amount paid up thereon: provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders and delivery of such certificate to any one of them shall be sufficient delivery to all. Every certificate shall be under the Seal.

Renewal of  
certificates

12. If any share certificate be defaced, worn out, destroyed or lost, it may be renewed on such evidence being produced and such indemnity (if any) being given as the Directors shall require and, in case of defacement or wearing out, on delivery up of the old certificate and, in any case, on payment of such sum, not exceeding (.....),— as the Directors may from time to time require.

13. If, after a transfer has been approved by the Directors there remains a balance of shares registered in the name of the transferor and if he, in writing, requires, a balance certificate shall be issued to him without charge.

Balance  
certificate

#### LIEN

14. The Company shall have a first and paramount lien upon all shares (whether fully paid or not) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares.

Company to  
have lien  
on shares and  
dividends

15. The Directors may sell the shares subject to any such lien at such time or times and in such manner as they think fit, but no sale shall be made until such time as the moneys in respect of which such lien exists, or some part thereof, are or is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on such member or the person entitled by transmission to the shares and default in payment, fulfilment or discharge shall have been made by him for fourteen days after service of such notice.

Lien may be  
enforced by  
sale of  
shares

16. The net proceeds of any such sale shall be applied in or towards the costs of the sale and in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall (subject to a like lien for sums not presently payable as existed on the shares before the sale) be paid to the member or the person entitled by transmission to the shares so sold at the date of the sale, or as he shall direct.

Application  
of proceeds  
of sale

17. To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Directors  
may enter  
purchaser's  
name in  
register

CALLS ON SHARES

Directors  
may make  
calls

18. The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all moneys unpaid on their shares, whether on account of the nominal value of the shares or by way of premium, as they think fit, provided that twenty-eight days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors. A call may be revoked or postponed as the Directors may determine.

When call  
deemed made

19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be required to be paid by instalments.

Liability  
of joint  
holders

20. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments in respect thereof.

Interest on  
unpaid calls

21. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment, at such rate, not exceeding 10 per cent per annum, as the Directors shall fix, from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

Sums payable  
on allotment  
deemed a  
call

22. Any sum which, by the terms of issue of a share, is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment and, in case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all the other relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.

Member not  
entitled to  
privileges of  
membership  
until all  
calls paid

23. No member shall be entitled to receive any dividend or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

Difference  
in calls

24. The Directors may from time to time make arrangements, on the issue of shares, for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.

25. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon and, upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

Calls may be paid in advance

#### TRANSFER OF SHARES

26. The transfer of any share in the Company must be in writing in any usual or common form or in such other form as the Directors may from time to time approve, and must be left at the Office accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.

Transfer must be written

27. The instrument of transfer of a share shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

Transfers to be executed

28. No share shall in any circumstances be transferred to any infant, bankrupt, person of unsound mind, or person who has compounded with creditors.

No transfer to certain persons

29. The Company shall provide a book to be called the "register of transfers", which shall be kept by the Secretary under the control of the Directors, and in which shall be entered the particulars of every transfer or transmission of every share.

Register of transfers

30. The Directors may in their absolute discretion refuse to register a transfer of any share, whether or not it is a fully paid share, to any person not being already a member of the Company. If the Directors refuse to register a transfer of any shares they shall, within sixty days after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

Directors may refuse to register

31. Such fee, not exceeding (.....) for each transfer, as the Directors may from time to time determine, may be charged for registration of a transfer and on registration of every probate, letters of administration, certificate of death or marriage, power of attorney, attachment or other instrument.

Transfer fee

Register of  
members may  
be closed

32. Subject to the provisions of the Act the Register may be closed during the fourteen days immediately preceding every Annual General Meeting of the Company and at such other times (if any) and for such period as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days in any year.

#### TRANSMISSION OF SHARES

On death  
of member

33. In the case of the death of a member, the survivors or survivor, where the deceased was a joint holder, and the personal representatives of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any shares jointly held by him.

Registration  
on  
transmission

34. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.

35. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.

36. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided always that the Directors may at any time give notice requiring

any such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within three months, the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

#### FORFEITURE OF SHARES

37. If a member fails to pay the whole or any part of any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter, during such time as any part of the call or instalment remains unpaid, serve a notice on him or on the person entitled to the share by transmission, requiring payment of such call or instalment or so much of the call or instalment as is unpaid, together with interest thereon from the date of the call until payment thereof at such rate not exceeding 10 per cent per annum as the Directors determine, and any expenses that may have accrued by reason of such non-payment.

Directors  
may require  
payment of  
call

38. A notice served under Article 37 hereof shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

Notice  
requiring  
payment to  
contain  
certain  
particulars

39. If the requirements of any notice served as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect and such forfeiture shall include all dividends in respect of the share, not actually paid before the forfeiture, notwithstanding that they shall have been declared.

Shares  
forfeited on  
resolution  
of Directors

40. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given and of the forfeiture, with the date thereof, shall forthwith be made in the Register relating to the share, but the provisions of this Article are directory only and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Notice of  
forfeiture to  
be given  
and entered  
in Register



Forfeited  
share at  
disposal of  
Directors

41. A forfeited share may be sold or otherwise disposed of on such terms, to such person and in such manner as the Directors think fit and, at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.

Former  
holder of  
forfeited  
share  
remains  
liable

42. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys and to satisfy all the claims and demands which the Company might have enforced in respect of the shares which, at the date of forfeiture, were payable by him to the Company or which might have been enforced in respect of the shares, without any deduction or allowance for the value of the shares at the time of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys and shall have satisfied all the claims and demands which it might have enforced in respect of the shares.

Consequence  
of forfeiture

43. The forfeiture of a share shall involve the extinction, at the time of forfeiture, of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved or as are by the Act given or imposed in the case of past members.

Evidence of  
forfeiture

44. A Statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated against all persons claiming to be entitled to the share. The Company may receive the consideration given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

#### ALTERATION OF CAPITAL

Alterations  
of capital

45. The Company may by Ordinary Resolution:-

- (a) increase its share capital by such amount to be divided into shares of such denomination and carrying such preferred, deferred or other special rights (if any) as the resolution may prescribe;

- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) sub-divide its existing shares, or any of them, into shares of smaller denomination than is fixed by the Memorandum of Association; provided, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (d) convert all or any of its paid-up shares into stock and reconvert that stock into paid-up shares of any denomination;
- (e) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

46. The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund and any share premium account in any manner and with and subject to any incident authorised and consent required by law. Reduction of capital

47. When any shares have been converted into stock the holders of stock may transfer the same or any part thereof in such manner as the Company in General Meeting shall direct or in default of such direction, in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances will admit. The Directors may, from time to time, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, with power to waive compliance with such rules upon such occasions as they think fit, provided that the minimum shall not exceed the nominal amount of the shares from which the stock arose. Stock

48. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, distributions, voting and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in dividends and profits and in the assets on winding up) shall be conferred by an amount of stock that would not, if existing in shares, have conferred such right, privilege or advantage. Rights of Stockholders

49. All such provisions of these Articles as are applicable to paid-up shares shall apply to stock and the word "share" and "shareholder" shall include "stock" and "stockholder". Application

## GENERAL MEETINGS

Annual  
General  
Meetings

50. The Company shall in each year hold a General Meeting as its Annual General Meeting, in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it. Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held in such time and place as the Directors shall appoint.

Extraordinary  
General  
Meetings

51. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Callings of  
Extraordinary  
General  
Meetings

52. The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition or, in default may be convened by such requisitionists as provided by Section (....) of the Act. If at any time there are not within (.....) sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors.

Notice of  
General

53. Every General Meeting shall be called by twenty-one days notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in General Meeting, to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company; provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed by all the Members entitled to attend and vote thereat. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

Special  
business

54. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of sanctioning and declaring a dividend, the consideration of the accounts and balance sheets and the reports of the Directors and Auditors and any other documents accompanying or annexed to the balance sheets, the election of Directors and the appointment and the fixing of the remuneration of Auditors.

55. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be five persons present being members or proxies for members.

Quorum

56. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine and if, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the member present shall be a quorum.

If quorum  
not present  
meeting  
adjourned  
or dissolved

57. The Chairman (if any) of the Directors appointed under Article 76 shall preside at every General Meeting but, if there is no such Chairman or if, at any meeting, he is not present within fifteen minutes after the time appointed for holding the same or is unwilling to act as chairman, the senior Director appointed under Article 76 shall preside at such meeting. If there is no senior Director or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some Director or, if no Director is present or if all the Directors present decline to take the chair, they shall choose some member present to be chairman of the meeting.

Chairman of  
General  
Meetings

58. The chairman of a meeting may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for twenty-one days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Adjournment

59. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-

Poll

- (a) the chairman,
- (b) at least three members present in person or by
- (c) proxy, any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting or

- (d) a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands, been carried or carried unanimously or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

Chairman  
to decide  
now poll  
taken

60. If a poll is demanded in manner aforesaid it shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

No poll in  
certain cases

61. No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment.

Casting vote

62. In the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall not be entitled to a casting vote and the motion shall be declared lost.

Business may  
be continued  
after demand  
for poll

63. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

Resolution  
in writing

64. A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or, being corporations or governments, by their duly appointed representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held.

#### VOTES OF MEMBERS

One vote or  
one vote  
per share

65. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares forming part of the capital of the Company every member present in person or by proxy shall have one vote on a show of hands and in case of a poll shall have one vote for every share of which he is the holder.

66. A member of unsound mind in respect of whose estate a manager has been appointed under law related thereto may vote, whether on a show of hands or on a poll, by his said manager or by the proxy of such manager.

Votes of  
lunatic  
member

67. If two or more persons are jointly entitled to a share, then, in voting upon any question, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share and, for this purpose, seniority shall be determined by the order in which the names stand in the Register.

Joint  
holdings

68. Save as herein expressly provided, no person other than a member duly registered and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares, shall be entitled to be present or to vote on any question either personally or by proxy or to be reckoned in a quorum at any General Meeting.

Only members  
entitled to  
vote

69. Votes may be given either personally or by proxy. A proxy need not be a member.

Votes, how  
given

70. The instrument appointing a proxy shall be in common form or in such form as the Directors may require and shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if such appointor is a government or corporation, under the hand of some officer duly authorised in that behalf. An instrument appointing a proxy may contain a direction to the proxy to vote for or against a particular resolution or particular resolutions but, unless such a direction be given, the proxy may vote as he thinks fit. An instrument appointing a proxy shall be deemed to include the power to demand or to join or concur in demanding a poll on behalf of the appointor.

Proxy  
appointment  
in writing

71. The instrument appointing a proxy shall be deposited at the office at least twenty-four hours before the time appointed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in such instrument proposes to vote; otherwise the person so named shall not be entitled to vote in respect thereof.

Instrument  
appointing  
proxy to  
be deposited

72. Any government which is a member of the Company may by duly authenticated notification, and any corporation which is a member of the Company may, by notification in writing under the hand of some officer duly authorised in that behalf, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the government or corporation which he represents as that government or corporation could exercise if it were an individual member of the Company.

Corporation  
representative

## DIRECTORS

### Number of Directors

73. The number of Directors shall not be less than two or more than six but the Company may, by Ordinary Resolution, increase or reduce the number of Directors. The first Directors shall be appointed, in writing, by the subscribers to the Memorandum of Association.

### No share qualification

74. A Director shall not be required to hold a share qualification.

### Appointment of Directors

75. The Directors shall have power from time to time and at any time to appoint any person to be a Director, either to fill a casual vacancy in their number or as an addition to the existing Directors, provided that the total number of Directors shall not exceed the prescribed maximum. A Director so appointed shall hold office only until the next Annual General Meeting, but shall be eligible for re-election at that meeting.

### Company may appoint and remove

76. The Company may by Ordinary Resolution, or shareholders holding or controlling not less than 51 per cent of all the shares of the Company for the time being issued may by writing under their hands:-

- (1) Appoint any person to be a Director so, however, that the prescribed maximum be not exceeded, and determine the period for which he is to hold office.
- (2) Appoint one of the Directors to be Chairman of the Directors and determine the period for which he is to hold office.
- (3) Appoint another Director to be senior Director, to perform the duties and to exercise the powers conferred by these Articles on the senior Director and generally to perform the duties and exercise the powers of the Chairman in his absence, and determine the period for which the senior Director is to hold office.
- (4) Remove any Director, Chairman or senior Director so appointed before the expiration of his period of office and appoint another or others in his or their stead.

### Directors' remuneration

77. The remuneration of the Directors shall from time to time be determined by the Company in General Meeting. The Directors shall also be entitled without the sanction of a General Meeting, to be repaid all travelling and hotel expenses and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including any such expenses incurred in connexion with their attendance at Board and General Meetings. If, by

arrangement with the other Directors, any Director performs or renders any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration and such special remuneration may be by way of salary, commission or otherwise as may be arranged.

78. The office of Director shall be vacated if the Director:-

Vacation  
of office

- (a) ceases to be a Director by virtue of Section (....) of the Act;
- (b) becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) is convicted of a criminal offences;
- (d) becomes of unsound mind;
- (e) resigns his office by notice in writing to the Company;
- (f) shall for more than six months have been absent without permission of the Directors from meetings of the Directors held during that period; or
- (g) is removed from office under Article 76.

#### ALTERNATE DIRECTORS

79. Each Director shall have power, by an instrument in writing to nominate any person to act as alternate Director in his place and, at his discretion, to remove such alternate Director and, on such appointment being made, the alternate Director shall be subject in all respects to the terms and conditions affecting the other Directors and each alternate Director, while acting in the place of an absent Director, shall exercise all the rights and discharge all the duties of the Director he represents. Should an alternate Director also be a Director of the Company, all rights vested in him as an alternate Director (including the right of voting at meetings) shall be in addition to and not in substitution for his rights as a Director. Any instrument appointing an alternate Director shall be delivered to and retained by the Company. If the Director making any such appointment as aforesaid shall cease to be a Director, the person appointed by him shall cease to have any power or authority to act as an alternate Director.



#### DIRECTORS' CONTRACTS

Directors  
contracts

80. (1) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors.

(2) A Director shall not vote in respect of any contract or arrangement in which he is interested and, if he shall do so, his vote shall not be counted but, if present at the meeting, he shall be counted in the quorum, and these prohibitions shall not apply to:-

- (a) any arrangement for giving any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company,
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security,
- (c) any contract by a Director to subscribe for or underwrite shares or debentures of the Company, or
- (d) any contract or arrangement with any other company in which he is interested only as an officer or employee of the other company or as holder of shares or other securities,

and these prohibitions may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the Company in General Meeting.

(3) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as a vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(4) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.

(5) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

#### POWERS AND DUTIES OF DIRECTORS

81. The business of the Company shall be managed by the Directors who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit and may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company and as are not by the Act or by these Articles required to be exercised or done by the Company in General Meeting. In so acting the Directors shall, in all cases, conform to the provisions of the Act and of these Articles and to such regulations as may from time to time be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall operate retrospectively to invalidate any previous act of the Directors.

Business  
managed by  
Directors

82. The Directors may from time to time provide for the management of the affairs of the Company in such manner as they think fit, and the provisions contained in these Articles shall be without prejudice to the general powers conferred by this Article.

Management

83. The Directors may, from time to time and at any time, establish and delegate any of their powers to local committees or employ agents for managing any of the affairs of the Company in (.....) or elsewhere and may appoint any persons to be members of such committees or to be managers or agents and may fix their remuneration. Any such committees shall in the exercise of the powers so delegated conform to any rules and regulations that may be imposed on them by the Directors who may revoke or vary any such appointment, rules or regulations.

Committees  
and  
agencies

Committees

84. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Directors.

Borrowing powers

85. The Directors may borrow or raise from time to time for the purposes of the Company or secure the payment of such sums as they think fit, and may secure the repayment or payment of any such sums in any lawful manner and may issue at par or at a discount or premium any bonds or loan notes, or debentures or securities securing repayment or payment as aforesaid.

Non-members' voting rights

86. The Company may, from the issue of any bonds, debentures, debenture stock or other securities, confer on the holders thereof or on any trustees or other persons acting on their behalf the right to participate in the management of the Company by giving them the right of attending and voting at General Meetings, by empowering them to appoint one or more persons to be Directors of the Company or by any means that may be agreed between the Company and the holders thereof.

Continuing Director may act

87. The continuing Directors may act at any time notwithstanding any vacancy in their body; provided always that, in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for the continuing Director to act for the purpose of filling up vacancies on the Board, or of summoning a General Meeting of the Company, but not for any other purpose.

MANAGING DIRECTORS

Managing Directors

88. The Directors may from time to time appoint any one or more of their body to be Managing Director or Managing Directors, for such period and upon such terms as they think fit, and may vest in such Managing Director or Managing Directors such of the powers hereby vested in the Directors generally as they may think fit and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions, and generally upon such terms as to remuneration and otherwise, as they may determine. The remuneration of a Managing Director may be made payable by way of salary or commission or partly by one and partly by the other of those modes or otherwise as may be thought expedient, and it may be made a term of his appointment that he shall receive a pension, gratuity or other benefit on his retirement.

89. A Managing Director shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and if he ceases to be a Director he shall automatically and immediately cease to be a Managing Director.

Position of  
Managing  
Director

#### PROCEEDINGS OF DIRECTORS

90. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit but, until otherwise determined by the Company in General Meeting, four shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman of the meeting shall have second or casting vote. All meetings of the Directors shall be held in (.....).

Quorum and  
venue

91. A Director may and, on the request of a Director, the Secretary shall, at any time summon a meeting of the Directors.

Calling  
Board  
Meeting

92. The Chairman (if any) of the Directors appointed under Article 76 shall preside at meetings of the Directors but, if no Chairman is so appointed or if at any meeting of the Directors he is not present within fifteen minutes of the time for holding the same, the senior Director appointed under Article 76 shall preside at such meeting and, if there is no senior Director so appointed or if at any meeting of the Directors he is not present within fifteen minutes of the time for holding the same, the Directors shall choose someone of their own number to be Chairman for such meeting.

Chairman of  
Directors

93. A committee may elect a Chairman of its meetings. If no such Chairman is elected or if, at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.

Chairman of  
committees

94. A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and, in case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.

Committee  
meetings

95. All acts done in good faith by any meeting of Directors or of a committee of Directors, or by any local committee, or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any Director or member of such committee or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director or a member of such committee.

All acts by  
Directors  
valid

Minutes

96. The Directors shall cause proper minutes to be made of the proceedings at all General Meetings of the Company and all meetings of Directors and committees and of the attendances thereat. Any such minute of any meeting, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be conclusive evidence, without any further proof, of the facts therein stated.

Resolution  
in writing

97. A resolution in writing signed by all the Directors for the time being in (.....) and the alternates, if any, of any absent Directors, being not less than the number required to constitute a quorum, shall be as valid and effective for all purposes as a resolution passed at a meeting of the Directors duly convened, constituted and held.

THE SEAL

Affixing  
the seal

98. The Seal shall not be affixed to any instrument except by the authority of a resolution of Directors in meeting or of a committee of the Directors duly authorised by the Directors in that behalf, and in the presence of at least one Director and of the Secretary or such other person as the Directors may appoint for the purpose, and such Director and the Secretary or other person as aforesaid shall sign every instrument to which the Seal shall be affixed in their presence, and in favour of any purchaser or person dealing with the Company in good faith such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

SECRETARY

99. The Secretary shall be appointed by the Directors for such time, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The Directors may from time to time by resolution appoint an assistant or deputy Secretary to exercise the functions of the Secretary

DIVIDENDS AND RESERVE FUND

Application  
of profits

100. Subject to any preferential or other special rights for the time being attached to any shares, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up or credited as paid up thereon respectively, otherwise than in advance of calls.

101. The Directors may, with the sanction of a General Meeting, from time to time declare dividends, but no such dividend shall be payable except out of the profits of the Company. The Directors may, if they think fit, from time to time declare and pay to the members, without the sanction of a General Meeting, such interim dividends as appear to them to be justified by the position of the Company and may also, from time to time, if in their opinion such payment is so justified, pay any preferential dividends which by the terms of issue of any shares are made payable on fixed dates. No higher dividend shall be paid than is recommended by the Directors, and the declaration of the Directors as to the amount of the net profits shall be conclusive.

Declaration  
of dividends

102. The Directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Deductions  
from  
dividends

103. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper to a reserve fund or reserve account, which shall at the discretion of the Directors be applicable for meeting contingencies or for repairing or maintaining any works connected with the business of the Company or shall, with the sanction of the Company in General Meeting, be, as to the whole or in part, applicable for equalising dividends, or for distribution by way of special dividend or bonus, or may be applied for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests of the Company and, pending such application, the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company or invest the same in such securities, other than the shares of the Company, as they may select. The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company.

Reserve  
fund

104. Every dividend warrant may, unless otherwise directed, be sent by post to the last registered address of the member entitled thereto, and the receipt of the person whose name, at the date of the declaration of the dividend, appears in the Register as the owner of any share or, where the dividend is expressed to be payable to members registered on some other date, the receipt of the person whose name appears at that other date in the Register as the owner of any share or, in the case of joint holders, of any one of such joint holders, shall be a good discharge to the Company for all payments made in respect of such shares. No unpaid dividend or interest shall bear interest as against the Company.

Despatch of  
dividend  
warrants

Capitalisation  
of profits

105. The Company in General Meeting may, upon the recommendation of its Directors, by resolution direct the capitalisation of any undivided profits of the Company not required for payment of any fixed preferential dividend or debenture interest, whether standing to the credit of a reserve fund or not and including premium received on the issue of shares or debentures of the Company and whether in the nature of income or of ascertained accretions to capital, and the Directors shall give effect to such resolution by applying such profits to be so capitalised in paying up either:-

- (a) partly paid shares held by the shareholders who would be entitled to such profits if the same were distributed by way of dividend, or
- (b) unissued shares or debentures of the Company to be thereupon issued to such shareholders as aforesaid or (so far as such issue shall be impracticable in consequence of the fractions involved) to be sold for the benefit of the shareholders entitled thereto or dealt with by the issue of fractional certificates or otherwise settled at the discretion of the Directors as they think expedient, or otherwise by dealing with such sum as directed by such resolution.

The Directors may appoint any person to contract with the Company, on behalf of the shareholders entitled to the capitalised profits, for the application thereof in manner aforesaid, and any contract so made shall be binding on all such shareholders and shall, where necessary, be filed with the Registrar in accordance with the Act.

#### ACCOUNTS

Accounts to  
be kept

106. The Directors shall cause such accounts to be kept:-

- (a) of the assets and liabilities of the Company,
- (b) of all sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and
- (c) of all sales and purchases of goods by the Company,

Books

as are necessary to give a true and fair view of the Company's affairs and to explain its transactions. The books of account shall be kept at the Office and shall always be open to the inspection of the Directors.

Inspection  
of books by  
members

107. The Directors shall from time to time determine whether in any particular case or class of cases, or generally, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of

members, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by law or authorised by the Directors or by a resolution of the Company in General Meeting.

108. The Directors shall from time to time, in accordance with Sections (.....) of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

Accounts to be  
laid before  
Company

109. Copies of all such balance sheets and any documents required by law to be annexed thereto shall, subject to the provisions of the Act, not less than twenty-one days before the date of the meeting before which they are to be laid be sent to all the members and debenture-holders of the Company and to all persons, not being members of debenture-holders, entitled to receive notice of such meeting.

#### AUDIT

110. Auditors shall be appointed and their duties regulated in accordance with Sections (.....) of the Act.

Auditors

#### NOTICES

111. A notice may be given by the Company to any member either personally or by sending it by post to him at his registered address, or at any other address supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting (by air mail where such service is available) a letter containing the notice, and to have been effected, in the case of a notice of a meeting, at the expiration of 72 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

Service of  
notice

112. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the share.

Notice to  
joint holders



Notice in  
case of  
death or  
bankruptcy

113. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustees of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

#### WINDING UP

Distribution  
of assets  
in specie

114. If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company, divide among the members in specie or kind any part of the assets of the Company, and any such division may be otherwise than in accordance with the existing rights of the members but so that, if any division is resolved on otherwise than in accordance with such rights, the members shall have the same right of dissent and consequential rights as if such resolution were a Special Resolution passed pursuant to Section (....) of the Act. A Special Resolution sanctioning a transfer or sale to another company duly passed pursuant to the said section may in like manner authorise the distribution of any shares or other consideration receivable by the Liquidator amongst the members, otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members, subject to the right of dissent and consequential rights conferred by the said section.

#### INDEMNITY

115. Every Director, Managing Director, Agent, Auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section (....) of the Act in which relief is granted to him by the court.

Names, Postal Addresses and Occupations of Subscribers	Signatures of Subscribers

DATED the (....) day of (.....), 19...

WITNESS to the above Signatures:-