

INTERNATIONAL BUSINESS COMPANIES ACT  
(CAP. 291)

Section 16(2)

FILED

SEP 11 2006

Notice of amendment of Memorandum and Articles of Association

To: Registrar of Companies

REGISTRY OF CORPORATE AFFAIRS  
EVI FINANCIAL SERVICES COMMISSION

Sefton Resources, Inc.

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Name of Company

IBC No. 140049

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We, Harneys Corporate Services Limited of Craigmuir Chambers, P. O. Box 71, Road Town, Tortola, British Virgin Islands, Registered Agent of the above company, hereby certify that the document annexed hereto is a certified true copy of the Notice of the Annual General Meeting amending and restating the Memorandum and Articles of Association of the above Company.

Dated this 11th day of September, 2006.



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Harneys Corporate Services Limited  
Registered Agent

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For official use

Sefton Resources, Inc.  
("the Company")

(An International Business Company)

Certified True Extract Of the Notice of The  
Annual General Meeting Of The Company  
Held On the 10th day of July, 2006

FILED  
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REGISTRY OF CORPORATE AFFAIRS  
BVI FINANCIAL SERVICES COMMISSION

**MEMORANDUM AND ARTICLES OF ASSOCIATION**

RESOLVED THAT the Memorandum and Articles of Association in the form attached to this extract is hereby adopted in substitution for the Company's existing Memorandum and Articles of Association.

FURTHER RESOLVED that the registered agent of the Company be and is hereby authorised to file the amended and restated Memorandum and Articles of Association referred to in the preceding extract with the Registrar of Corporate Affairs in the British Virgin Islands in order to effect the adoption of the new Memorandum and Articles of Association.

Dated this 11th day of September, 2006.



\_\_\_\_\_  
Harneys Corporate Services Limited  
Registered Agent

NO: 140049



**British Virgin Islands  
The International Business Companies Act  
(Cap 291)**

**Memorandum of Association  
and  
Articles of Association  
of**

**Sefton Resources, Inc.**

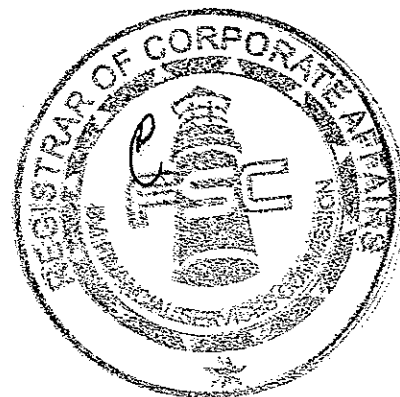
**Incorporated the 17th day of January, 1995**

**(Amended and Restated the 28th day of November, 2000)**

**(Amended and Restated on 11th day of September, 2006)**

**HARNEY WESTWOOD & RIEGELS**

**Craigmuir Chambers  
Road Town  
Tortola  
British Virgin Islands  
Tortola  
British Virgin Islands**



**TERRITORY OF THE BRITISH VIRGIN ISLANDS**  
**THE INTERNATIONAL BUSINESS COMPANIES ACT**  
**(Cap. 291)**

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**SEFTON RESOURCES, INC.**

**NAME**

1. The name of the Company is Sefton Resources, Inc.

**REGISTERED OFFICE**

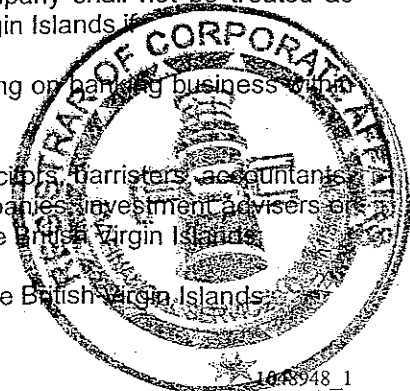
2. The Registered Office of the Company will be at Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands.

**REGISTERED AGENT**

3. The Registered Agent of the Company will be HWR Services Limited of Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands.

**GENERAL OBJECTS AND POWERS**

4. (1) The object of the Company is to engage in any act or activity that is not prohibited under any law for the time being in force in the British Virgin Islands.
- (2) The Company may not
  - (a) carry on business with persons resident in the British Virgin Islands;
  - (b) own an interest in real property situate in the British Virgin Islands, other than a lease referred to in paragraph (e) of subclause (3);
  - (c) carry on banking or trust business, unless it is licensed to do so under the Banks and Trust Companies Act, 1990;
  - (d) carry on business as an insurance or reinsurance company, insurance agent or insurance broker, unless it is licensed under an enactment authorizing it to carry on that business;
  - (e) carry on the business of company management, unless it is licensed under the Company Management Act, 1990; or
  - (f) carry on the business of providing the registered office or the registered agent for companies incorporated in the British Virgin Islands.
- (3) For purposes of paragraph (a) of subclause (2), the Company shall not be treated as carrying on business with persons resident in the British Virgin Islands if
  - (a) it makes or maintains deposits with a person carrying on banking business within the British Virgin Islands;
  - (b) it makes or maintains professional contact with solicitors, barristers, accountants, bookkeepers, trust companies, administration companies, investment advisers or other similar persons carrying on business within the British Virgin Islands;
  - (c) it prepares or maintains books and records within the British Virgin Islands;



- (d) it holds, within the British Virgin Islands, meetings of its directors or members;
  - (e) it holds a lease of property for use as an office from which to communicate with members or where books and records of the Company are prepared or maintained;
  - (f) it holds shares, debt obligations or other securities in a company incorporated under the International Business Companies Act or under the Companies Act; or
  - (g) shares, debt obligations or other securities in the Company are owned by any person resident in the British Virgin Islands or by any company incorporated under the International Business Companies Act or under the Companies Act.
- (4) The Company shall have all such powers as are permitted by law for the time being in force in the British Virgin Islands, irrespective of corporate benefit, to perform all acts and engage in all activities necessary or conducive to the conduct, promotion or attainment of the object of the Company.

#### **CURRENCY**

5. Shares in the Company shall be issued in the currency of the United States of America.

#### **AUTHORIZED CAPITAL**

6. The Company shall have no authorized capital.

#### **CLASSES, NUMBER AND PAR VALUE OF SHARES**

7. The Company is authorized to issue 3,000,000,000 shares of one class and one series of no par value (the "Common Shares").

#### **DESIGNATIONS, POWERS, PREFERENCES, ETC. OF SHARES**

8. All Common Shares shall
- (a) have one vote each;
  - (b) be subject to redemption, purchase or acquisition by the Company for fair value; and
  - (c) have the same rights with regard to dividends and distributions upon liquidation of the Company.
- 8A. The Company shall have the power to:
- (d) divide the Common Shares, including issued shares, of a class or series into a larger number of shares of the class or series; or
  - (e) combine the Common Shares, including issued shares, of a class or series into smaller number of shares of the same class or series.

#### **VARIATION OF CLASS RIGHTS**

9. If at any time the authorized capital is divided into different classes or series of shares, the rights attached to any class or series (unless otherwise provided by the terms of issue of the shares of that class or series) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or series and of the holders of not less than three-fourths of the issued shares of any other class or series of shares which may be affected by such variation.

**RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU**

- 10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

**REGISTERED SHARES**

- 11. Shares in the Company may only be issued as registered shares and may not be exchanged for shares issued to bearer.

**AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION**

- 12. The Company may amend its Memorandum of Association and Articles of Association by a resolution of members.

**DEFINITIONS**

- 13. The meanings of words in this Memorandum of Association are as defined in the Articles of Association.

We, HWR SERVICES LIMITED, of Craigmuir Chambers, Road Town, Tortola, British Virgin Islands for the purpose of incorporating an International Business Company under the laws of the British Virgin Islands hereby subscribe our name to this memorandum of Association the 17th day of January, 1995 in the presence of:

Witness

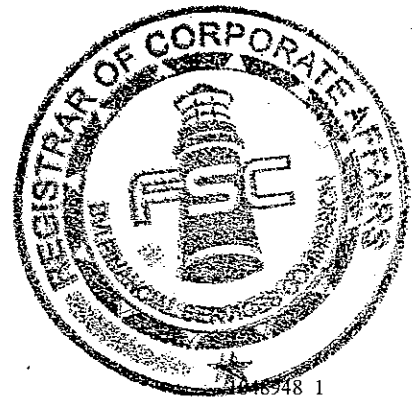
Subscriber

(Sgd.) Berinece Donovan

(Sgd.) Richard Peters

.....  
Craigmuir Chambers  
Road Town, Tortola

.....  
Authorized Signatory  
HWR Services Limited



TERRITORY OF THE BRITISH VIRGIN ISLANDS  
THE INTERNATIONAL BUSINESS COMPANIES ACT  
(CAP 291)

ARTICLES OF ASSOCIATION  
OF  
SEFTON RESOURCES, INC.

PRELIMINARY

1. In these Articles, if not inconsistent with the subject or context, the words and expressions standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column thereof.

<u>Words</u>	<u>Meaning</u>
<b>absolute majority</b>	means, in relation to a meeting or written consent, more than one-half of the votes of all the issued and outstanding shares entitled to vote;
<b>Articles</b>	the Articles of Association of the Company as amended from time to time;
<b>Board</b>	means the board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present;
<b>BVI Companies Act</b>	the International Business Companies Act (Cap 291) including any modification, extension, re-enactment or renewal thereof and any regulations made thereunder;
<b>business day</b>	means a week day on which banks are generally open for business in the City of London;
<b>capital</b>	the sum of the aggregate par value of all outstanding shares with par value of the Company and shares with par value held by the Company as treasury shares plus:  (a) the aggregate of the amounts designated as capital of all outstanding shares without par value of the Company and shares without par value held by the Company as treasury shares; and  (b) the amounts as are from time to time transferred from surplus to capital by a resolution of Directors;
<b>Crest</b>	the electronic system for the transfer of shares and other securities operated by CRESTCo Limited;

<b>clear days</b>	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>Directors</b>	mean those persons holding office as directors of the Company from time to time;
<b>electronic</b>	means actuated by electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy and " <b>by electronic means</b> " means by any manner capable of being so actuated and shall include e-mail and/or other data transmission service;
<b>executed</b>	includes any mode of execution;
<b>Executive Director</b>	means an Executive Chairman, Chief Executive Director, Joint Chief Executive Director, Managing Director, Joint Managing Director, Assistant Managing Director or Chief Operations Officer of the Company or a Director who is the holder of any other employment or executive office with the Company;
<b>held</b>	means, in relation to shares, the shares entered in the Register as being held by a member and term "holds" and " <b>holder</b> " shall be construed accordingly;
<b>member</b>	a person who holds shares in the Company;
<b>Memorandum</b>	the Memorandum of Association of the Company as originally framed or as amended from time to time;
<b>month</b>	means a calendar month;
<b>Non Executive Director</b>	means any Director other than an Executive Director
<b>paid up</b>	means paid up or credited as paid up and includes any sum paid by way of premium;
<b>person</b>	an individual, a corporation, a trust, the estate of a deceased individual, a partnership or an unincorporated association of persons;
<b>present in person</b>	means, in the case of an individual, that individual or his lawfully appointed attorney being present in person and, in the case of a corporation, being present by duly authorised representative or lawfully appointed attorney and, in relation to meetings, " <b>in person</b> " shall be construed accordingly;
<b>recognised clearing house</b>	shall have the meaning ascribed by section 207 of the United Kingdom Financial Services Act 1986 until such time as the United Kingdom Financial Services and

Markets Act 2000 shall come into force when it shall have the meaning ascribed by section 285 of that Act;

**recognised investment exchange** shall have the meaning ascribed by section 207 of the United Kingdom Financial Services Act 1986 until such time as the United Kingdom Financial Services and Markets Act 2000 shall come into force when it shall have the meaning ascribed by section 285 of that Act;

**recognised person** means a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange;

**Register** means the register of members;

**Registrars** mean the registrars of the Company from time to time;

**Regulations** means the United Kingdom Uncertified Securities Regulations SI 1995 No 3272;

**relevant system** means any computer-based system, and procedures, from time to time permitted by the Regulations and the rules of the Stock Exchange, which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters and shall include, without limitation, CREST;

**resolution of Directors** (a) a resolution approved at a duly convened and constituted meeting of the Directors or of a committee of the Directors by the affirmative vote of a simple majority of the Directors present at the meeting who voted and did not abstain; or

(b) a resolution consented to in writing by all Directors or of all members of the committee, as the case may be;

except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority;

(c) with respect to calling a meeting of directors, a resolution consented to in writing by any one Director and notified to all other Directors.

**resolution of members** (a) a resolution approved at a duly convened and constituted meeting of the members by the affirmative vote of:

(i) a simple majority of the votes of the shares entitled to vote thereon which were present at the meeting and were voted and not abstained; or

(ii) a simple majority of the votes of each class or series of shares which were present at the meeting and entitled to vote thereon as a class or series and were voted and not abstained and of a simple majority of the votes of the remaining shares entitled to vote thereon which were present at the meeting and were voted and not abstained; or

(b) a resolution consented to in writing by:

(i) an absolute majority of the votes of shares entitled to vote thereon; or

(ii) an absolute majority of the votes of each class or series of shares entitled to vote thereon as a class or series and of an absolute majority of the votes of the remaining shares entitled to vote thereon;

<b>Seal</b>	any seal which has been duly adopted as the seal of the Company;
<b>Secretary</b>	means any person appointed by the Board to perform any of the duties of company secretary and includes a joint, temporary or assistant secretary;
<b>securities</b>	shares and debt obligations of every kind, and options, warrants and rights to acquire shares, or debt obligations;
<b>shares</b>	the common shares of no par value in the Company;
<b>simple majority</b>	means, in relation to a meeting or written consent, more than one-half of the votes of the issued and outstanding shares (in the case of shares) or more than one half of the Directors (in the case of Directors) who are entitled to vote and are present and voting at the meeting;
<b>Stock Exchange</b>	means the London Stock Exchange Plc or any successor body carrying on its functions;
<b>surplus</b>	the excess, if any, at the time of the determination of the total assets of the Company over the aggregate of its total liabilities, as shown in its books of account, plus the Company's capital;

<b>treasury shares</b>	shares in the Company that were previously issued but were repurchased, redeemed or otherwise acquired by the Company and not cancelled;
<b>UK Companies Act</b>	means the United Kingdom Companies Act 1985 including any modification, extension, re-enactment or renewal thereof and any regulations made thereunder;
<b>United Kingdom</b>	means Great Britain and Northern Ireland.

2. "Written" or any term of like import includes words typewritten, printed, painted, engraved, lithographed, photographed or represented or reproduced by any mode of reproducing words in a visible form, including telex, facsimile, telegram, cable or other form of writing produced by electronic means.
3. Save as aforesaid any words or expressions defined in the BVI Companies Act shall bear the same meaning in these Articles.
4. Whenever the singular or plural number, or the masculine, feminine or neuter gender is used in these Articles, it shall equally, where the context admits, include the others.
5. A reference in these Articles to voting in relation to shares shall be construed as a reference to voting by members holding the shares except that it is the votes allocated to the shares that shall be counted and not the number of members who actually voted and a reference to shares being present at a meeting shall be given a corresponding construction.
6. A reference to money in these Articles is, unless otherwise stated, a reference to the currency in which shares in the Company shall be issued according to the provisions of the Memorandum.

## SHARES

7. Subject to Regulation 8, every member (other than a recognised person or a holder of shares in respect of which the Company is not required by law to complete and have ready for delivery a certificate) on becoming the holder of any shares shall be entitled, without payment, to receive one certificate for all such shares of any one class or series or, upon payment of such reasonable out-of-pocket expenses as the Board may from time to time determine for every certificate after the first, several certificates each for one or more of such shares of such class or series. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A member (except such a recognised person as aforesaid) who has transferred part of the shares comprised in his certificated holding shall be entitled to a certificate for the balance without charge. Every certificate shall specify the shares to which it relates and the amount paid up thereon. The Company shall in no case be bound to register more than four persons as the joint holders of any shares. A certificate shall be issued within one month after the date of expiration of the right of renunciation (or within such other period as the terms of allotment provide) or (in the case of the transfer of shares) within ten business days after the lodgment with the Registrar of the transfer, not being a transfer which the Company is entitled to refuse to register and does not register.
8. Nothing in these Articles shall require title to any shares or other securities of the Company to be evidenced by a certificate if the BVI Companies Act and the rules of the Stock Exchange permit otherwise.

9. Subject to the BVI Companies Act and the rules of the Stock Exchange, the Board without further consultation with the holders of any shares or securities of the Company may resolve that any class or series of shares or other securities of the Company from time to time in issue or to be issued (including shares in issue at the date of the adoption of these Articles) may be issued, held, registered, converted to, transferred or otherwise dealt with in uncertificated form in accordance with the Regulations and practices instituted by the operator of the relevant system and no provision of these Articles will apply to any uncertificated share or other securities of the Company to the extent that they are inconsistent with the holding of such shares or other securities in uncertificated form or the transfer of title to any such shares or other securities by means of a relevant system or any provision of the Regulations.
10. Conversion of shares held in certificated form into shares held in uncertificated form, and vice versa, may be made in such manner as the Board may, in its absolute discretion, think fit (subject always to the Regulations and the requirements of the relevant system concerned). The Company shall enter on the Register how many shares are held by each member in uncertificated form and in certificated form and shall maintain the Register in each case as is required by the Regulations and the relevant system concerned. Notwithstanding any provision of these Articles, a class or series of shares shall not be treated as two classes by virtue only of that class or series comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which apply only in respect of certificated or uncertificated shares.
11. If a share certificate for certificated shares is defaced, worn out, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement or wearing out, on delivery up of the old certificate to the Company.
12. All forms of certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall be issued under the Seal or in such other manner as the Board may authorise. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificate need not be autographic but may be affixed to such certificate by some mechanical or electronic means or may be printed thereon or that such certificate need not be signed by any person.
13. Any member receiving a share certificate for certificated shares shall indemnify and hold the Company and its Directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof.
14. If several persons are registered as joint holders of any shares, any one of such persons may give an effectual receipt for any dividend payable in respect of such shares.

#### **SHARES, AUTHORISED CAPITAL, CAPITAL AND SURPLUS**

15. Subject to the provisions of these Articles and any resolution of members, the unissued shares of the Company shall be at the disposal of the Directors who may, without limiting or affecting any rights previously conferred on the holders of any existing shares or class or series of shares, offer, allot, grant options over or otherwise dispose of shares to such persons, at such times and upon such terms and conditions as the Company may by resolution of Directors determine. For the avoidance of doubt, the Company may issue securities including warrants in respect of unissued shares of the Company. Without prejudice to any type of securities but with specific reference to warrants, such warrants entitle the warrant holder to subscribe for shares in

the Company. The Directors may from time to time determine and, save as otherwise provided in the warrant, vary the conditions on which the warrants are issued. The Company shall keep and maintain a register of warrant holders. A warrant holder shall be subject to the conditions from time to time in force in relation to warrants, whether such conditions are made or varied before or after the date of issue of the warrant.

16. No share in the Company may be issued until the consideration in respect thereof is fully paid, and when issued the share is for all purposes fully paid and non-assessable save that a share issued for a promissory note or other written obligation for payment of a debt may be issued subject to forfeiture in the manner prescribed in these Articles.
17. Shares in the Company shall be issued for money, services rendered, personal property, an estate in real property, a promissory note or other binding obligation to contribute money or property or any combination of the foregoing as shall be determined by a resolution of Directors.
18. Shares in the Company may be issued for such amount of consideration as the Directors may from time to time by resolution of Directors determine, except that in the case of shares with par value, the amount shall not be less than the par value, and in the absence of fraud the decision of the Directors as to the value of the consideration received by the Company in respect of the issue is conclusive unless a question of law is involved. The consideration in respect of the shares constitutes capital to the extent of the par value and the excess constitutes surplus.
19. A share issued by the Company upon conversion of, or in exchange for, another share or a debt obligation or other security in the Company, shall be treated for all purposes as having been issued for money equal to the consideration received or deemed to have been received by the Company in respect of the other share, debt obligation or security.
20. Treasury shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with these Articles) as the Company may by resolution of Directors determine.
21. The Company may issue fractions of a share and a fractional share shall have the same corresponding fractional liabilities, limitations, preferences, privileges, qualifications, restrictions, rights and other attributes of a whole share of the same class or series of shares.
22. Upon the issue by the Company of a share without par value, if an amount is stated in the Memorandum to be authorised capital represented by such shares then each share shall be issued for no less than the appropriate proportion of such amount which shall constitute capital, otherwise the consideration in respect of the share constitutes capital to the extent designated by the Directors and the excess constitutes surplus, except that the Directors must designate as capital an amount of the consideration that is at least equal to the amount that the share is entitled to as a preference, if any, in the assets of the Company upon liquidation of the Company.
23. The Company may purchase, redeem or otherwise acquire and hold its own shares but only out of surplus or in exchange for newly issued shares of equal value.
24. Subject to provisions to the contrary in:
  - 24.1 the Memorandum or these Articles;
  - 24.2 the designations, powers, preferences, rights, qualifications, limitations and restrictions with which the shares were issued; or

- 24.3 the subscription agreement for the issue of the shares;
- the Company may not purchase, redeem or otherwise acquire its own shares without the consent of members whose shares are to be purchased, redeemed or otherwise acquired.
25. No purchase, redemption or other acquisition of shares shall be made unless the Directors determine that immediately after the purchase, redemption or other acquisition the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business and the realisable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account, and its capital and, in the absence of fraud, the decision of the Directors as to the realisable value of the assets of the Company is conclusive, unless a question of law is involved.
26. A determination by the Directors under the preceding regulation is not required where shares are purchased, redeemed or otherwise acquired:
- 26.1 pursuant to a right of a member to have his shares redeemed or to have his shares exchanged for money or other property of the Company;
- 26.2 by virtue of a transfer of capital pursuant to regulation 54;
- 26.3 by virtue of the provisions of Section 83 of the BVI Companies Act; or
- 26.4 pursuant to an order of the Court.
27. Shares that the Company purchases, redeems or otherwise acquires pursuant to the preceding regulation may be cancelled or held as treasury shares except to the extent that such shares are in excess of 80 percent of the issued shares of the Company in which case they shall be cancelled but they shall be available for reissue.
28. Where shares in the Company are held by the Company as treasury shares or are held by another company of which the Company holds, directly or indirectly, shares having more than 50 percent of the votes in the election of Directors of the other company, such shares of the Company are not entitled to vote or to have dividends paid thereon and shall not be treated as outstanding for any purpose except for purposes of determining the capital of the Company.
29. The Company may purchase, redeem or otherwise acquire its shares at a price lower than the fair value if permitted by, and then only in accordance with, the terms of
- 29.1 the Memorandum or these Articles; or
- 29.2 a written agreement for the subscription for the shares to be purchased, redeemed or otherwise acquired.
30. The Company may by a resolution of Directors include in the computation of surplus for any purpose the unrealised appreciation of the assets of the Company, and, in the absence of fraud, the decision of the Directors as to the value of the assets is conclusive, unless a question of law is involved.

#### FORFEITURE

31. When shares issued for a promissory note or other written obligation for payment of a debt have been issued subject to forfeiture, the following provisions shall apply.

32. Written notice specifying a date for payment to be made and the shares in respect of which payment is to be made shall be served on the member who defaults in making payment pursuant to a promissory note or other written obligations to pay a debt.
33. The written notice specifying a date for payment shall:
  - 33.1 name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which payment required by the notice is to be made; and
  - 33.2 contain a statement that in the event of non-payment at or before the time named in the notice the shares, or any of them, in respect of which payment is not made will be liable to be forfeited.
34. Where a written notice has been issued and the requirements have not been complied with within the prescribed time, the Directors may at any time before tender of payment forfeit and cancel the shares to which the notice relates.
35. The Company is under no obligation to refund any moneys to the member whose shares have been forfeited and cancelled pursuant to these provisions. Upon forfeiture and cancellation of the shares the member is discharged from any further obligation to the Company with respect to the shares forfeited and cancelled and shall cease to be a member in respect of such shares.

#### LIEN

36. The Company shall have a first and paramount lien on every share issued for a promissory note or for any other binding obligation to contribute money or property or any combination thereof to the Company, and the Company shall also have a first and paramount lien on every share standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon and distributions payable in respect thereof. The Directors may at any time either generally, or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this regulation.
37. In the absence of express provisions regarding sale in the promissory note or other binding obligation to contribute money or property, the Company may sell, in such manner as the Directors may by resolution of Directors determine, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of twenty-one days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share or person (if any) entitled to this share by reason of his death or bankruptcy. For the purposes of this regulation the Board may authorise the conversion of shares to be sold which are certificated shares into uncertificated shares, and vice versa so far as is consistent with the facilities and requirements of the relevant system concerned.
38. The net proceeds of the sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the promissory note or other binding obligation to contribute money or property or any combination thereof in respect of which the lien exists so far as the same is presently payable and any residue shall (subject to a like lien for debts or

liabilities not presently payable as existed upon the share prior to the sale and receipt of the relevant share certificate (if any) for cancellation) be paid to the holder of the share immediately before such sale. For giving effect to any such sale the Directors may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he 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 sale.

## TRANSFER OF SHARES

39. Subject to any limitations in the Memorandum, certificated shares in the Company may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, but in the absence of such written instrument of transfer the Directors may accept such evidence of a transfer of shares as they consider appropriate.
- 39.1 In the case of uncertificated shares and subject to the BVI Companies Act, but notwithstanding any other provision in these Articles, a member shall be entitled to transfer his shares and other securities by means of a relevant system.
- 39.2 Any provision in these Articles in relation to the shares shall not apply to any uncertificated shares to the extent that they are inconsistent with the holding of any shares in uncertificated form, the transfer of title to any shares by means of a relevant system and any provision of the Regulations.
- 39.3 The transferor of any shares shall remain the holder of those shares until the name of the transferee is entered in the register as the holder of those shares.
40. The Register may be closed at such times and for such periods as the Board may from time to time determine, not exceeding in whole thirty days in each year, upon notice being given by advertisement in a leading daily newspaper and in such other newspaper (if any) as may be required by the BVI Companies Act and the practice of the Stock Exchange.
41. The Board may decline to register a transfer of any share to a person known to be a minor, bankrupt or person who is mentally disordered or a patient for the purpose of any statute relating to mental health.
42. The Board may also decline to register any transfer unless:-
- 42.1 any written instrument of transfer, duly stamped (if so required), is lodged with the Company at the registered office or such other place as the Board may appoint accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person or a holder of such shares in respect of whom the Company is not required by law to deliver a certificate and to whom a certificate has not been issued in respect of such shares), and
- 42.2 there is provided such evidence as the Board may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so; and;
- 42.3 any instrument of transfer is in respect of only one class or series of share; and
- 42.4 in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.

The Company may retain an instrument of transfer which is registered but a transfer which the Directors refuse to register shall (except in the case of known or suspected fraud) be returned to the person lodging it when notice of the refusal is given.

43. If the Board declines to register a transfer it shall, within ten business days or such other period (if any) as may be prescribed by the BVI Companies Act, send to the transferee notice of the refusal.
44. No fee shall be charged by the Company for registering any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, distringas or stop notice, order of court or other instrument relating to or affecting the title of any share, or otherwise making any entry in the Register relating to any share.

#### **TRANSMISSION OF SHARES**

45. The executor or administrator of a deceased member, the guardian of an incompetent member or the trustee of a bankrupt member shall be the only person recognised by the Company as having any title to his share but they shall not be entitled to exercise any rights as a member of the Company until they have proceeded as set forth in the next following three regulations.
46. The production to the Company of any document which is evidence of probate of the will, or letters of administration of the estate, or confirmation as executor, of a deceased member or of the appointment of a guardian of an incompetent member or the trustee of a bankrupt member shall be accepted by the Company even if the deceased, incompetent or bankrupt member is domiciled outside the British Virgin Islands if the document evidencing the grant of probate or letters of administration, confirmation as executor, appointment as guardian or trustee in bankruptcy is issued by a foreign court which had competent jurisdiction in the matter. For the purpose of establishing whether or not a foreign court had competent jurisdiction in such a matter the Directors may obtain appropriate legal advice. The Directors may also require an indemnity to be given by the executor, administrator, guardian or trustee in bankruptcy.
47. Any person becoming entitled by operation of law or otherwise to a share or shares in consequence of the death, incompetence or bankruptcy of any member may be registered as a member upon such evidence being produced as may reasonably be required by the Directors and in the case of uncertificated shares subject also to the facilities and requirements of the relevant system concerned. An application by any such person to be registered as a member shall for all purposes be deemed to be a transfer of shares of the deceased, incompetent or bankrupt member and the Directors shall treat it as such.
48. Any person who has become entitled to a share or shares in consequence of the death, incompetence or bankruptcy of any member may, instead of being registered himself, request in writing that some person to be named by him be registered as the transferee of such share or shares and such request shall likewise be treated as if it were a transfer.
49. What amounts to incompetence on the part of a person is a matter to be determined by the court having regard to all the relevant evidence and the circumstances of the case.

#### **REDUCTION OR INCREASE IN AUTHORISED CAPITAL OR CAPITAL**

50. The Company may by a resolution of members only amend the Memorandum to increase or reduce its authorised capital and in connection therewith the Company may in respect of any unissued shares increase or reduce the number of such shares, increase or reduce the par value of any such shares or effect any combination of the foregoing.

51. Subject to the provisions of the BVI Companies Act, the Company may by resolution of members increasing its authorised capital direct that the new shares or any of them shall be offered in the first instance to all the holders for the time being of shares of any class or series in proportion to the number of such shares held by them respectively or may make any other provisions as to the, issue of new shares.
52. The Company may amend the Memorandum by a resolution of members (but not otherwise) to:
- 52.1 divide the shares, including issued shares, of a class or series into a larger number of shares of the same class or series; or
- 52.2 combine the shares, including issued shares, of a class or series into a smaller number of shares of the same class or series;
- (provided, however, that where shares are divided or combined under regulations 52.1 or 52.2, the aggregate par value of the new shares must be equal to the aggregate par value of the original shares); and
- 52.3 subject to any confirmation or consent required by law reduce its authorised and issued share capital in any manner.

Subject to compliance with the terms of any such resolution as referred to in this regulation, if as a result of any consolidation, combination and/or division members would become entitled to fractions of a share, the Board may for the purpose of dealing with the fractions, issue fractional certificates or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the members who would have been entitled to the fractions, or, if permitted, for the retention of such net proceeds for the benefit of the Company, and for this purpose the Board may authorise some person to transfer the shares representing fractions to the purchaser thereof, who 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 relating to the sale.

53. The capital of the Company may by a resolution of Directors be increased by transferring an amount of the surplus of the Company to capital.
54. Subject to the provisions of the two next succeeding regulations, the capital of the Company may by resolution of members be reduced by transferring an amount of the capital of the Company to surplus.
55. No reduction of capital shall be effected that reduces the capital of the Company to an amount that immediately after the reduction is less than the aggregate par value of all outstanding shares with par value and all shares with par value held by the Company as treasury shares and the aggregate of the amounts designated as capital of all outstanding shares without par value and all shares without par value held by the Company as treasury shares that are entitled to a preference, if any, in the assets of the Company upon liquidation of the Company.
56. No reduction of capital shall be effected unless the Directors determine that immediately after the reduction the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business and that the realisable assets of the Company will not be less than its total liabilities, other than deferred taxes, as shown in the books of the Company and its remaining capital, and, in the absence of fraud, the decision of the Directors as to the realisable value of the assets of the Company is conclusive, unless a question of law is involved.

## MEETINGS AND CONSENTS OF MEMBERS

57. The Directors of the Company may convene meetings of the members at such times and in such manner and places within or outside the British Virgin Islands as the Directors consider necessary or desirable. With effect from 1 January 2001 the Company shall hold at least one meeting of members every calendar year and not more than fifteen months shall elapse between the date of one annual meeting and that of the next. This meeting shall be known as the Annual General Meeting of the Company. The business of the Annual General Meeting shall include:
- (a) the receipt of the accounts, balance sheets and reports of the Directors and auditors thereon;
  - (b) the election of Directors in place of those retiring (including the re-election of any director retiring by rotation and offering himself for re-election) in accordance with these Articles;
  - (c) the appointment of the auditors and the fixing of their remuneration.

## NOTICE OF MEETINGS OF MEMBERS

58. Upon the written request of members holding 10 percent or more of the outstanding voting shares in the Company the Directors shall convene a meeting of members for a date not later than 21 days after the date of the requisition.
59. The Directors shall give not less than 14 days notice of meetings of members to those persons whose names on the date the notice is given appear as members in the Register and are entitled to vote at the meeting.
60. The Directors may fix the date notice is given of a meeting of members as the record date for determining those shares that are entitled to vote at the meeting.
61. A meeting of members may be called on short notice:
- 61.1 if members holding not less than 90 percent of the total number of shares entitled to vote on all matters to be considered at the meeting, or 90 percent of the votes of each class or series of shares where members are entitled to vote thereon as a class or series together with not less than a 90 percent majority of the remaining votes, have agreed to short notice of the meeting, or
  - 61.2 if all members holding shares entitled to vote on all or any matters to be considered at the meeting have waived notice of the meeting and for this purpose presence at the meeting shall be deemed to constitute waiver.
62. The inadvertent failure of the Directors to give notice of a meeting to a member, or the fact that a member has not received notice, does not invalidate the meeting.

## PROXIES

63. A member may be represented at a meeting of members by a proxy who may speak and vote on behalf of the member. A proxy need not be a member.

64. The instrument appointing a proxy shall, subject to regulation 66, be in writing under the hand of the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
65. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered at the registered office (or at such other place in the as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith), not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- 65.1 in the case of a poll taken more than forty-eight hours after it was demanded, be delivered at the registered office (or other specified place) not less than twenty-four hours before the time appointed for the taking of the poll; or
- 65.2 where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary (if any) or to any director and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution. If two or more valid but differing instruments are delivered in respect of the same share for use at the same meeting, the one which is last to be delivered shall be treated as replacing the others in respect of that share. If the Directors cannot readily determine to their satisfaction which was the last to be delivered, they may, in their absolute discretion, determine that any one or none of them shall be treated as valid in respect of the share.
66. Instruments of proxy shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting (or separately) physical and/or electronic forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of any resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Notwithstanding any other provision of these Articles the Directors can, but they are not obliged to, accept proxy forms which are delivered by electronic means or by other data transmission process subject to any limitations, restrictions or conditions that they decide. If so, then any requirements of these Articles that the proxy form is in writing and signed or sealed does not, to the extent the Directors decide, apply but the Directors can require such evidence as they think appropriate to show that the proxy appointment is valid.
67. A vote or poll demanded by proxy or by the duly authorised representative of a corporation given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or incapacity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Company at the registered office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) three hours at least before the commencement of the meeting or adjourned meeting, or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the taking of the poll, at which the instrument of proxy is used.
68. The following shall apply in respect of joint ownership of shares:

- 68.1 if two or more persons hold shares jointly each of them may be present in person or by proxy at a meeting of members and may speak as a member;
- 68.2 if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and
- 68.3 if two or more of the joint owners are present in person or by proxy they must vote as one, failing which the vote of the most senior joint owner (being determined by the order in which the names of the holders stand in the Register) shall be accepted to the exclusion of the votes of the other joint owner(s).

#### PROCEEDINGS AT MEETINGS OF MEMBERS

- 69. A member shall be deemed to be present at a meeting of members if he participates by telephone or by electronic means and all members participating in the meeting are able to communicate and hear with each other.
- 70. A meeting of members is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than two members. If a quorum be present, notwithstanding the fact that such quorum may be represented by only one person then such person may resolve any matter and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy form shall constitute a valid resolution of members.
- 71. If within fifteen minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) 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 next business day at the same time and place or to such other time and place as the Directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than two members holding the shares entitled to vote on the resolutions to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.
- 72. Each director of the Company shall be entitled to attend and speak at any meeting of members even if not a member.
- 73. At every meeting of members, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present shall choose one of their number to act, or if one director only is present he shall preside as chairman if willing to act. If no director is present, the members present shall choose some one of their number to be the chairman. If the members are unable to choose a chairman for any reason, then the person representing the greatest number of voting shares present in person or by prescribed form of proxy at the meeting shall preside as chairman failing which the oldest individual member or representative of a member present shall take the chair.
- 74. The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned indefinitely, the time and place for the adjourned meeting shall be fixed by the Directors.

75. When a meeting is adjourned for thirty days or more, not less than seven clear days' notice of the adjourned meeting shall be given as in the case of an original meeting save that it shall not be necessary to specify the business to be transacted. Save as expressly provided by these Articles, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
76. The chairman may, with the consent of the meeting at which a quorum is present (and shall, if directed by the meeting to do so), adjourn the meeting either indefinitely or to another time or place. The chairman may also, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or is quorate) either indefinitely or to such other time and place as he or the Directors decide if it appears to him that:
- 76.1
- 76.1.1 the number of persons wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or
  - 76.1.2 the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly holding or continuation of the meeting; or
  - 76.1.3 an adjournment is otherwise necessary for the business of the meeting to be properly conducted; or
  - 76.1.4 a proposal of such importance is made that the consideration of a larger number of members is desirable.
- 76.2 If the chairman considers that the meeting place specified in the notice convening the meeting is inadequate to accommodate all those entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that members who cannot be accommodated are able to participate in the business of the meeting and to see and hear all persons present who speak (whether by the use of microphones, loud-speakers, audio visual communications equipment or otherwise), whether in the meeting place or elsewhere, and to be seen and heard by all other persons in the same manner.
- 76.3 The Directors may make such arrangements for controlling the level of attendance at each place, whether involving the issue of tickets (on a basis intended to afford all members entitled to attend the meeting an equal opportunity of being admitted to the meeting place specified in the notice) or the imposition of some random means of selection or otherwise, as they consider appropriate. The entitlement of members to attend shall be subject to these arrangements, whether stated in the notice as applying to that meeting or notified to the members after the notice has been given.
- 76.4 The meeting shall be treated for the purposes of this regulation as having taken place at the meeting place specified in the notice.

#### VOTES OF MEMBERS

77. At any meeting of the members the chairman shall be responsible for deciding in such manner as he shall consider appropriate whether any resolution has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes thereof. If the chairman shall have any doubt as to the outcome of any resolution put to the vote, he shall cause a poll to be taken of all votes cast upon such resolution, but if the chairman shall fail to

- take a poll then any member present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall thereupon cause a poll to be taken. If a poll is taken at any meeting, the result thereof shall be duly recorded in the minutes of that meeting by the chairman.
78. Any person other than an individual shall be regarded as one member and subject to the specific provisions hereinafter contained for the appointment of representatives of such persons the right of any individual to speak for or represent such member shall be determined by the law of the jurisdiction where, and by the documents by which, the person is constituted or derives its existence. In case of doubt, the Directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the Directors may rely and act upon such advice without incurring any liability to any member.
79. Any person other than an individual which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any separate meeting of the holders of any class or series of shares, and the person so authorised shall be entitled to exercise the same powers on behalf of the person which he represents as that person could exercise if it were an individual member of the Company.
80. The chairman of any meeting at which a vote is cast by proxy or on behalf of any person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within 7 days of being so requested or the votes cast by such proxy or on behalf of such person shall be disregarded.
81. Directors of the Company may attend and speak at any meeting of members and at any separate meeting of the holders of any class or series of shares in the Company.
82. An action that may be taken by the members at a meeting may also be taken by a resolution of members consented to in writing or by telex, telegram, cable, facsimile or other written or electronic means, without the need for any notice, but if any resolution of members is adopted otherwise than by the unanimous written consent of all members, a copy of such resolution shall forthwith be sent to all members not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more members.

#### **NUMBER OF DIRECTORS**

83. The minimum number of Directors shall be two and the maximum number of Directors shall be seven.

#### **ELECTION AND REMOVAL OF DIRECTORS**

84. The Directors shall be elected by the members for such term as the members determine, either to fill a vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.
85. Without prejudice to the power of a meeting of members to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill a vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed by the Board shall hold office only

until the earlier to occur of the close of the next following annual meeting of members and someone being appointed in his stead at that meeting. Such a Director shall be eligible for re-election at that meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. The Company shall not incorporate into an agreement relating to a Director's employment with the Company a provision whereby the Director's employment with the Company (or any subsidiary of the Company) is to continue, or may be continued, otherwise than at the instance of the Company for a period of more than 5 years during which the employment cannot be terminated by the Company by notice, or can be so terminated only in specified circumstances unless the provision is first approved by a resolution of the Company in a general meeting.

86. Each director shall hold office for the term, if any, fixed by resolution of members or, subject to regulation 91.1, until his earlier death, resignation, retirement or removal.
87. A director may be removed from office, with or without cause, by a resolution of members or, with cause, by a resolution of Directors.
88. A director may resign his office by giving written notice of his resignation to the Company and the resignation shall have effect from the date the notice is received by the Company or from such later date as may be specified in the notice.
89. The Company may determine by resolution of Directors to keep a register of Directors containing:
  - 89.1 the names and addresses of the persons who are directors of the Company;
  - 89.2 the date on which each person whose name is entered in the register was appointed as a director of the Company; and
  - 89.3 the date on which each person named as a director ceased to be a director of the Company.
90. If the Directors determine to maintain a register of directors, a copy thereof shall be kept at the registered office of the Company.

#### AGE OF DIRECTORS

91.
  - 91.1 A person shall not be elected as a Director if, at the time when the election would take effect, he would have attained the age of 75. A Director shall vacate his office at the conclusion of the annual meeting of members which next follows his attaining the age of 75; but acts done by a person as Director are valid notwithstanding that it is afterwards discovered that, by reason of this regulation, he should not have been elected or his election had terminated.
  - 91.2 If a person retires under regulation 91.1, no provision in these Articles for the automatic re-election of retiring Directors in default of another applies.
  - 91.3 Nothing in this regulation 91 prevents the election of a Director at any age, or requires a Director to retire at any time, if his election is or was made or approved by a meeting of members but notice is required of a resolution electing or approving the election of a Director for it to have effect under this regulation 91.3 and the notice of the resolution given to the Company, and by the Company to the members, must state or have stated the age of the person to whom it relates.

- 91.4 A person re-elected Director on retiring under regulation 91.1, or elected in place of a Director who retires under regulation 91.1, is to be treated, for the purpose of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the retiring Director was elected or last elected before his retirement.

#### DIRECTORS' SHAREHOLDING QUALIFICATION

92. A director shall not require a share qualification and may be an individual or a company.

#### DISQUALIFICATION OF DIRECTORS

93.

- 93.1 Without prejudice to the provisions or retirement by rotation hereinafter contained, the office of a Director shall be vacated in any of the events following, namely:

- 93.1.1 if (not being an Executive Director whose contract precludes resignation) he resigns his office by notice in writing delivered to the registered office or tendered at a meeting of the Board; or
- 93.1.2 if the Board resolves that he is through physical or mental incapacity or mental disorder no longer able to perform the functions of a Director; or
- 93.1.3 if he fails, without leave, to attend (whether or not an alternate Director appointed by him attends) three successive Board meetings or four Board meetings in any consecutive period of 12 months despite a notice being given to him prior to such third or fourth meeting (as the case may be) that the provisions of this paragraph might apply and not less than two-thirds of all the other Directors (excluding the Director concerned and, in his capacity as such, any alternate director appointed by the Director concerned) resolving that his office should be vacated; or
- 93.1.4 if he becomes bankrupt or insolvent or makes an arrangement or composition with his creditors or applies to the Court for an interim order under section 253 of the United Kingdom Insolvency Act 1986 in connection with a voluntary arrangement; or
- 93.1.5 any event analogous to those listed in regulation 93.1.4 under the laws of any other jurisdiction occurs in relation to a Director; or
- 93.1.6 if he is prohibited by law from being a Director; or
- 93.1.7 if he ceases to be a Director by virtue of the BVI Companies Act or is removed from office pursuant to these Articles.

In the case of regulation 93.1.2, 93.1.3, 93.1.4 and 93.1.5 above, the Director shall be removed from office.

- 93.2 A resolution of Directors declaring that a Director has vacated office under regulation 93.1 shall be conclusive as to that fact and as to the ground of vacation as stated in the resolution.
- 93.3 Without prejudice to any of the provisions for disqualification of Directors or for the retirement by rotation hereinafter contained, the office of a Director shall be vacated if by notice in writing delivered to the registered office or tendered at a meeting of the Board his resignation is requested by all of the other Directors (being not less than three in number) excluding the

Director concerned and, in his capacity as such, any alternate Director appointed by the Director concerned.

#### **ROTATION OF DIRECTORS**

- 93.4 At every annual meeting of members one-third of the Directors for the time being or, if their number is not a multiple of three, then the number nearest to and not exceeding one-third shall retire from office.
- 93.5 The Directors to retire on each occasion shall be those subject to retirement by rotation who have been longest in office since their last election, but as between persons who became or were re-elected Directors on the same day those to retire shall (unless they otherwise agree amongst themselves) be determined by lot. The Directors to retire on each occasion both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual meeting of members, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of such notice but before the close of the meeting.
94. A Director who retires at the annual meeting of members shall be eligible for re-election. If he is not re-elected he shall retain office until the meeting elects someone in his place, or if it does not do so, until the end of the meeting.
95. Subject to the provisions of these Articles, the Company may by a resolution of members at the meeting at which a Director retires in the manner aforesaid fill the vacated office by electing a person and in default the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.

#### **EXECUTIVE AND NON EXECUTIVE DIRECTORS**

96. A Director may hold the office of an Executive Director or a Non Executive Director.
97. An Executive Director shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

#### **ALTERNATE DIRECTORS**

- 98.
- 98.1 Each Director shall have the power to appoint any person to be his alternate Director and may at his discretion remove such alternate Director. If such alternate Director is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate Director shall be effected by notice in writing signed by the appointor and delivered to the registered office or tendered at a meeting of the Board. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend at and vote as a Director at any such meeting at which the Director appointing him is not personally present and to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director.

- 98.2 Every person acting as an alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent mutatis mutandis as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part (if any) of the remuneration otherwise payable to the Director appointing him as such Director may by notice in writing to the Company from time to time direct.
- 98.3 Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- 98.4 An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this regulation which was in force immediately before his retirement shall remain in force as though he had not retired.

#### DIRECTORS' FEES

99. Each of the Directors shall be paid a fee at such rate as may from time to time be determined by the Board provided that the aggregate of all such fees so paid to Directors (excluding amounts payable under any other regulation and any amount payable under any service contract) shall not exceed \$300,000 per annum, or such higher amount as may from time to time be determined by resolution of members.
100. Each Director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or meetings of members or separate meetings of the holders of any class or series of shares or of debentures of the Company and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other regulation.

#### POWERS OF DIRECTORS

101. The business and affairs of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by the BVI Companies Act or by the Memorandum or these Articles required to be exercised by the members, subject to any delegation of such powers as may be authorised by these Articles and to such requirements as may be prescribed by a resolution of members; but no requirement made by a resolution of members shall prevail if it be inconsistent with these Articles nor shall such requirement nor any modification, extension, re-enactment or renewal of the BVI Companies Act or alteration of the Memorandum or these Articles invalidate any prior act of the Directors which would have been valid if such requirement had not been made.

102. The Directors may, by a resolution of Directors, appoint any person, including a person who is a director, to be an officer or agent of the Company. The resolution of Directors appointing an agent may authorise the officer or agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the officer or agent by the Company.
103. Every officer or agent of the Company has such powers and authority of the Directors, including the power and authority to affix the Seal, as are set forth in these Articles or in the resolution of Directors appointing the officer or agent, except that no officer or agent has any power or authority with respect to the matters requiring a resolution of Directors under the BVI Companies Act.
104. Any director which is a body corporate may appoint any person its duly authorised representative for the purpose of representing it at meetings of the Board or with respect to unanimous written consents.
105. The continuing Directors may act notwithstanding any vacancy in their body, save that if their number is reduced to their knowledge below the number fixed by or pursuant to these Articles as the necessary quorum for a meeting of Directors, the continuing Directors or Director may act only for the purpose of appointing Directors to fill any vacancy that has arisen or for summoning a meeting of members.
106. The Directors may by resolution of Directors exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings and property or any part thereof, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party.
107. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by resolution of Directors.
108. The Company may determine by resolution of Directors to maintain at its registered office a register of mortgages, charges and other encumbrances in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance:
- 108.1 the sum secured;
- 108.2 the assets secured;
- 108.3 the name and address of the mortgagee, chargee or other encumbrancer;
- 108.4 the date of creation of the mortgage, charge or other encumbrance; and
- 108.5 the date on which the particulars specified above in respect of the mortgage, charge or other encumbrance are entered in the register.

#### PROCEEDINGS OF DIRECTORS

109. The Directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the Directors may determine to be necessary or desirable.
110. A director shall be deemed to be present at a meeting of Directors if he participates by telephone or other electronic means and all Directors participating in the meeting are able to

communicate with and hear each other and such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, the chairman of the meeting then is.

111. A Director shall be given not less than three days notice of meetings of Directors, but a meeting of Directors held without three days notice having been given to all Directors shall be valid if all the Directors entitled to vote at the meeting who do not attend, waive notice of the meeting and for this purpose, the presence of a Director at a meeting shall constitute waiver on his part. The inadvertent failure to give notice of a meeting to a Director, or the fact that a Director has not received the notice, does not invalidate the meeting.
112. A meeting of Directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of Directors, unless there are only two Directors in which case the quorum shall be two.
113. Subject to regulation 105, if the Company shall have only one director the provisions herein contained for meetings of the Directors shall not apply but such sole director shall have full power to represent and act for the Company in all matters as are not by the BVI Companies Act or the Memorandum or these Articles required to be exercised by the members and in lieu of minutes of a meeting shall record in writing and sign a note or memorandum of all matters requiring a resolution of Directors. Such a note or memorandum shall constitute sufficient evidence of such resolution for all purposes.
114. At every meeting of the Directors the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting the Vice-Chairman of the Board shall preside. If there is no Vice-Chairman of the Board or if the Vice-Chairman of the Board is not present at the meeting the Directors present shall choose one of their number to be chairman of the meeting.
115. An action that may be taken by the Directors or a committee of Directors at a meeting may also be taken by a resolution of Directors or a committee of Directors consented to in writing or by telex, telegram, cable, facsimile or other written electronic communication by all Directors or all members of the committee as the case may be, without the need for any notice. The consent may be in the form of counterparts, each counterpart being signed by one or more Directors.
116. The Directors shall cause the following corporate records to be kept:
  - 116.1 minutes of all meetings of Directors, members, committees of Directors, committees of officers and committees of members;
  - 116.2 copies of all resolutions consented to by Directors, members, committees of Directors, committees of officers and committees of members; and
  - 116.3 such other accounts and records as the Directors by resolution of Directors consider necessary or desirable in order to reflect the financial position of the Company.
117. The books, records and minutes shall be kept at the registered office of the Company, its principal place of business or at such other place as the Directors determine.
118. The Directors may, by resolution of Directors, designate one or more committees, each consisting of one or more Directors.
119. Each committee of Directors has such powers and authorities of the Directors, including the power and authority to affix the Seal, as are set forth in the resolution of Directors establishing

the committee, except that no committee has any power or authority to amend the Memorandum or these Articles, to appoint Directors or fix their emoluments, or to appoint officers or agents of the Company.

120. The meetings and proceedings of each committee of Directors consisting of two or more Directors shall be governed mutatis mutandis by the provisions of these Articles regulating the proceedings of Directors so far as the same are not superseded by any provisions in the resolution establishing the committee.

## OFFICERS

121. Subject to the provisions of these Articles and any relevant legislation, the Board may from time to time, by a resolution of directors, appoint one or more of its body to be Executive Chairman, Non Executive Chairman, Chief Executive Director, Joint Chief Executive Director, Managing Director, Joint Managing Director, Assistant Managing Director, Chief Operating Officer or Finance Director or to hold any other office with the Company for such period (subject to the BVI Companies Act) and upon such terms as the Board may determine. Any number of offices may be held by the same person.
122. The Company may enter into an agreement or arrangement with one or more of their number for the latter's employment by the Company in the office of Managing Director, Joint Managing Director or Assistant Managing Director. Any such appointment, agreement or arrangement may be made upon such terms and conditions as the Directors shall determine by resolution of directors and the Managing Director, Joint Managing Director or Assistant Managing Director shall have all such powers and authority of the Board as are granted by or contained in the resolution of directors authorising his or her appointment except that no managing director, Joint Managing Director or Assistant Managing Director shall have the power to effect authorise or carry out an act on the part of the Company that is specifically stated in the BVI Companies Act to require a resolution of directors.
123. Subject to the provisions of any agreement or arrangement referred to in Regulation 122 above, or in the event that no such agreement or arrangement is entered into, a Managing Director, Joint Managing Director or Assistant Managing Director may be removed from such position at any time, with or without cause, by a resolution of directors.
124. The Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Officer may have against the Company or the Company have against such Officer for any breach of any contract of service between him and the Company which may be involved in such revocation or termination.
125. The officers shall perform such duties as shall be prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by resolution of Directors or resolution of members.
126. The remuneration (whether by way of salary, commission, participation in profits or otherwise) of all officers shall be fixed by resolution of Directors.
127. Subject to regulations 86, 88, 91 and 93, the officers of the Company shall hold office until their successors are duly elected and qualified, but any officer elected or appointed by the Directors may be removed at any time, with or without cause, by resolution of Directors. Any vacancy occurring in any office of the Company may be filled by resolution of Directors.

## DIVISIONAL DIRECTORS

128.

- 128.1 The Board may appoint any person or manager as a divisional director or with such other title as the Board may from time to time determine. Any such divisional director shall be an officer of the Company and shall not be or be deemed to be a director of the Company within the meaning of the BVI Companies Act or the UK Companies Act or these Articles. The appointment and remuneration (if any) of any divisional director shall be determined by the Board with full powers to make such arrangements as the Board may think fit. For the avoidance of doubt the Board shall have the right to enter into any contract on behalf of the Company or transact any business of any description without the knowledge and approval of the divisional directors excepting that no act shall be done that would impose any personal liability on any or all of the divisional directors except with his or their knowledge or consent.
- 128.2 No divisional director shall be entitled to attend or be present at or receive notice of any meeting of the Directors or of any committee but the Board shall be at liberty at any time to request a divisional director to attend any meeting of the Board or a committee of the Directors but divisional directors present at such meetings shall not be counted in quorum and shall not be entitled to vote thereat.
- 128.3 The appointment of a person to be a divisional director shall not (save as otherwise agreed between him and the Company), affect the terms and conditions of his employment (if any) by the Company whether as regards duties, remuneration, pension or otherwise and he shall cease to be a divisional director if he resigns as such or (as the case may be) in the event of his ceasing to be in employment of the Company or an associated company or in the event of his being removed as a divisional director by a resolution of Directors provided that termination of such an appointment shall not of itself affect the terms and conditions of his employment (if any) by the Company.

## SECRETARY AND REGISTRAR

129. The Secretary (if any) shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board. The Board may also appoint a Registrar.
130. A provision of the BVI Companies Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## CONFLICT OF INTERESTS

131. No agreement or transaction between the Company and one or more of its Directors or any person in which any Director has a financial interest or to whom any Director is related, including as a director of that other person, is void or voidable for this reason only or by reason only that the Director is present at the meeting of Directors or at the meeting of the committee of Directors that approves the agreement or transaction or that the vote or consent of the Director is counted for that purpose if the material facts of the interest of each Director in the agreement or transaction and his interest in or relationship to any other party to the agreement or transaction are disclosed in good faith or are known by the other Directors.

132. A Director who has an interest in any particular business to be considered at a meeting of Directors or members may be counted for purposes of determining whether the meeting is duly constituted.

#### INDEMNIFICATION

133. Subject to the limitations hereinafter provided the Company may indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:
- 133.1 is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director, an officer or a liquidator of the Company; or
- 133.2 is or was, at the request of the Company, serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.
134. The Company may only indemnify a person if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that his conduct was unlawful.
135. The decision of the Directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of these Articles, unless a question of law is involved.
136. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a nolle prosequi does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.
137. If a person to be indemnified has been successful in defence of any proceedings referred to above the person is entitled to be indemnified against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred by the person in connection with the proceedings.
138. The Company may purchase and maintain insurance in relation to any person who is or was a director, an officer or a liquidator of the Company, or who at the request of the Company is or was serving as a director, an officer or a liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in these Articles.

#### AUTHENTICATION OF DOCUMENTS

139. Any Director or the Secretary (if any) or any persons appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the holders of any class or series of shares of the Company or the Board or any committee of the Board and any books, records, documents and accounts relating to the business of the Company and certify copies thereof or extracts

therefrom as true copies or extracts. A document purporting to be a copy or production or the minutes of or an extract from the minutes of a meeting of the Company or the holders of any class or series of shares of the Company or of the Board or any committee of the Board that is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

#### SEAL

140. The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by resolution of Directors. The Directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of a director or any other person so authorised from time to time by resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The Directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been signed as hereinbefore described.

#### DIVIDENDS

141. The Company may by a resolution of Directors declare and pay dividends in money, shares, or other property, but dividends shall only be declared and paid out of surplus. In the event that dividends are paid in specie the Directors shall have responsibility for establishing and recording in the resolution of Directors authorising the dividends, a fair and proper value for the assets to be so distributed.
142. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.
143. The Directors may, before declaring any dividend, set aside out of the profits of the Company such sum as they think proper as a reserve fund which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.
144. No dividend shall be declared and paid unless the Directors determine that immediately after the payment of the dividend the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business and the realisable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in its books of account, and its capital. In the absence of fraud, the decision of the Directors as to the realisable value of the assets of the Company is conclusive, unless a question of law is involved.
145. Notice of any dividend that may have been declared shall be given to each member in manner hereinafter mentioned and all dividends unclaimed for three years after having been declared may be forfeited by resolution of Directors for the benefit of the Company.

146. No dividend shall bear interest as against the Company and no dividend shall be paid on treasury shares or shares held by another company of which the Company holds, directly or indirectly, shares having more than 50 percent of the vote in electing Directors.
147. A share issued as a dividend by the Company shall be treated for all purposes as having been issued for money equal to the surplus that is transferred to capital upon the issue of the share.
148. In the case of a dividend of authorised but unissued shares with par value, an amount equal to the aggregate par value of the shares shall be transferred from surplus to capital at the time of the distribution.
149. In the case of a dividend of authorised but unissued shares without par value, the amount designated by the Directors shall be transferred from surplus to capital at the time of the distribution, except that the Directors must designate as capital an amount that is at least equal to the amount that the shares are entitled to as a preference, if any, in the assets of the Company upon liquidation of the Company.
150. A division of the issued and outstanding shares of a class or series of shares into a larger number of shares of the same class or series having a proportionately smaller par value does not constitute a dividend of shares.

#### RESERVES

151. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

#### CAPITALISATION OF RESERVES

152. The Company may, upon the recommendation of the Board, at any time and from time to time pass a resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted, distributed and credited as fully paid up among such members, or partly in one way and partly in the other and the Board shall give effect to such resolution provided that for the purposes of this Regulation, a share premium account and a capital redemption reserve, and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such members credited as fully paid.
153. Where any difficulty arises in regard to any distribution under this Regulation, the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions and arrange for the distribution of the net proceeds of sale in due proportion among the members who would have been entitled to the fractions, or for the retention of such net proceeds for the benefit of the Company, or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments

shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the members.

#### RECORD DATES

154. Notwithstanding any other provision of these Articles the Company by a resolution of members or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

#### FORM OF RECORDS

155. Any register, index, minute book, or other book or accounting records required by these Articles or the BVI Companies Act to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

#### ACCOUNTING RECORDS

156. The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions in accordance with both the BVI Companies Act. The Company shall also keep all accounting records as would be required by the UK Companies Act to show and explain its transactions were the Company a public limited company incorporated in England and Wales
157. The accounting records shall be kept at the registered office or, subject to the BVI Companies Act, at such other place or places as the Board may think fit and shall always be open to inspection by the officers of the Company. No member (other than an officer of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board.
- 158.
- 158.1 Subject to regulation 158.2 a printed copy of every balance sheet and profit and loss account together with the report of the Board thereon and including every other document as would be required by the UK Companies Act were the Company a public limited company incorporated in England and Wales to be annexed thereto, which is to be laid before the annual meeting of members were the Company a public limited company incorporated in England and Wales, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty one days before the date of the meeting in accordance with the requirements of the BVI Companies Act, and copies shall also be sent in appropriate numbers to the Stock Exchange in accordance with its regulations.
- 158.2 The Company need not, if the Board so decides send copies of such documents to members, but may instead send them a summary financial statement derived from the Company's balance sheet and profit and loss account and the report of the Board thereon, in such form and containing such information as would be required by the UK Companies Act were the Company a public limited company incorporated in England and Wales provided that copies of the documents referred to in regulation 158.1 shall be sent to any member who wishes to receive them and the Company shall comply with the provisions of the UK Companies Act as to the

manner in which it is to ascertain whether a member wishes to receive them as if the Company were a public limited company incorporated in England and Wales.

#### AUDIT

159. Auditors shall be appointed and their duties regulated in accordance with the UK Companies Act as if the Company were a public limited company incorporated in England and Wales.

#### NOTICES

160. Any notice, information or written statement to be given by the Company to members may be served in the case of members holding shares in any way by which it can reasonably be expected to reach each member or by mail addressed to each member at the address shown in the Register. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.
161. Any notice or other document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
162. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which, before his name and address have been entered in the Register, shall have been duly given to the person from whom he derives his title to such share.
163. Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process, information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office or the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

#### UNTRACED SHAREHOLDERS

164. When the registered address of any member appears to the Board to be incorrect or out of date such member may, if the Board so resolves, be treated as if he had no registered address and the Company will not thereafter be obliged to send to such member cheques, warrants, notices of meetings or copies of the documents referred to in these Articles; provided that no resolution as aforesaid shall be proposed by the Board until cheques or warrants sent to the registered address of such member have been returned by the Post Office or left uncashed on at least two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish any new address of such member.
165. The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:
- (a) for a period of twelve years in the course of which at least three dividends have become payable in respect of the share in question, no cheque or warrant sent by the Company

through the post in a prepaid letter addressed to the member or to the person entitled by transmission to the share at his address on the Register or the other last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the member or the person entitled by transmission; and

- (b) the Company has at the expiration of the said period of twelve years by advertisement in both a leading national newspaper and in a newspaper circulating in the area in which the address referred to in paragraph (a) above is located given notice of its intention to sell such share; and
- (c) the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission.

166. To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such share and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such share. The Company shall account to the member or other person entitled to such share for the net proceeds of such sale and shall be deemed to be his debtor and not a trustee for him in respect of the same. Any money not accounted for to the member or other person entitled to such share shall be carried to a separate account and shall be a permanent debt of the Company. Money carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

#### **DESTRUCTION OF DOCUMENTS**

167.1 The Company may destroy:

- (a) any share certificate which has been cancelled, at any time after the expiry of one year from the date of such cancellation;
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address, at any time after the expiry of two years from the date such mandate, variation, cancellation or notification was recorded by the Company;
- (c) any instrument of transfer or form of renunciation of shares which has been registered, at any time after the expiry of six years from the date of registration; and
- (d) any other document on the basis of which any entry in the Register is made, at any time after the expiry of six years from the date that the entry in the Register was first made.

The Company may, however, destroy a document after a shorter period than that specified above if a copy is retained in permanent form. The copy of a document shall be treated for the purposes of this regulation as if it were the document.

167.2 It shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that:

- (a) the foregoing provisions of this regulation shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (b) nothing contained in this regulation shall be construed as imposing any liability upon or recognising liability of the Company in respect of the destruction of any document before the expiration of the relevant period specified in these Articles merely because such period had not elapsed; and
- (c) references in this regulation to the destruction of any document include references to its disposal in any manner.

**SECRECY**

168. No Member or other meeting of Members shall be entitled to require discovery of or any information respecting any detail of the Company's trading or in any matter that is or may be in the nature of a trade secret or secret process or that may relate to the conduct of the business of the Company that in the opinion of the Board it would be contrary to the interests of the Company to communicate to the public.

**VOLUNTARY WINDING UP AND DISSOLUTION**

169. The Company may voluntarily commence to wind up and dissolve by a resolution of members.

**CONTINUATION**

170. The Company may by resolution of members or by a resolution passed unanimously by all Directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

We, HWR SERVICES LIMITED, of Craigmuir Chambers, Road Town, Tortola, British Virgin Islands for the purpose of incorporating an International Business Company under the laws of the British Virgin Islands hereby subscribe our name to these Articles of Association the 17th day of January, 1995 in the presence of:

Witness

Subscriber

(Sgd.) Berinece Donovan

(Sgd.) Richard Peters

.....  
Craigmuir Chambers  
Road Town, Tortola

.....  
Authorised Signatory  
HWR Services Limited