

# *Articles of Association*

## *Of*

### **L B FINANCE PLC**

*(incorporating amendments made upto 29<sup>th</sup> June 2010)*

1. The Name of the Company is “L B FINANCE LIMITED”
2. The registered office of the Company will be situated in the District of Colombo
3. The objects for which the Company is established are:
  - (1) To carry on business as financiers, concessionaires and merchants and to undertake, carry on and execute all kinds of financial, commercial, trading and other operations and to carry on any other business which may seem capable of being conveniently carried on in connection with any of these objects or calculated directly or indirectly to enhance the value of or facilitate the realisation of or render profitable any of the Company’s property or rights.
  - (2) To advance, deposit or lend and to accept, deposits and loans of money, securities or property to, with or from such persons and with or without security and on such terms as may seem expedient and to discount, buy, sell and deal in bills, notes, warrants, coupons and other negotiable or transferable securities or documents.
  - (3) To guarantee or become liable for the payment of money or performance of any obligations and generally to transact all kinds of guarantee business and as security for such guarantees to deposit pledge charge or mortgage any property securities or assets of the Company.
  - (4) To purchase or otherwise acquire and to sell, exchange , surrender, lease , hire, mortgage, charge, improve, manage, convert, turn to account, dispose of and deal with property, rights and choses and actions of all kinds.
  - (5) To act as Agents for the investment, loan payment, transmission and collection of money and for the purchase, sale, improvements, development and management of property, including business concerns and undertakings and generally to transact and undertake all kinds of Agency business whether in respect of agricultural, commercial or financial matters and to carry on the business of Representatives or Agents of Insurers and Underwriters.
  - (6) To subscribe for conditionally or unconditionally, underwrite, issue on commission or otherwise, take, hold, deal in and convert Government securities, stocks, shares and securities of all kinds and to enter into partnership or into any arrangements for the sharing of profits, union of interests, reciprocal concession or co-operation with any person, partnership or Company and to promote and aid in promoting, constitute, form or organize Companies, Syndicates or Partnerships of all kinds for the purposes of acquiring and undertaking any property and liabilities of this Company advancing directly or indirectly the objects thereof or for any other purpose which this Company may think expedient.

- (7) To employ experts to investigate and examine into the condition, prospects, value, character and circumstances of any business, concerns and undertakings and generally of any assets, property or rights.
- (8) To seek for and secure openings for the employment of capital and to acquire any concessions, grants, decrees or privileges whatsoever which may seem to the Company capable of being turned to account, and to work, develop, carry out, exercise and turn to account the same.
- (9) To carry on any other trade or business whatsoever which can, in the opinion of the Board of Directors, be advantageously carried on by the Company in connection with or as ancillary to any of the above businesses or the general business of the Company.
- (10) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, and any real or personal property of any kind necessary or convenient for the purpose of or in connection with the Company's business or any branch or department thereof.
- (11) To borrow, raise or secure the payment of money for the purpose of or in connection with the Company's business.
- (12) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with subject to such rights, powers, privileges, and conditions as may be through fit, debentures or debenture –stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurance
- (13) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose business undertakings the Company is interested, whether directly or indirectly.
- (14) To grant pensions, allowances, gratuities and bonuses to directors or ex-directors, officers, ex-officers, employees, or ex-employees, of the Company or the dependants or connections of such persons, to establish and maintain or concur in establishing and maintaining trust, funds or schemes (whether contributory) with a view to providing pensions or other benefits for any such persons as aforesaid, their dependents or connections, and to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interest of the Company or its officers or employees.
- (15) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.
- (16) To invest and deal with the moneys of the Company not immediately required for the purpose of its business in or upon such investments or securities and in such manner as may from time to time be determined.

- (17) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (18) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by installments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or in debentures or mortgage debentures or debenture-stock, mortgages or other securities of any company or corporation or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (19) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interest or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.
- (20) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such Company.
- (21) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on.
- (22) To deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (23) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid with or without winding-up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.
- (24) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

- (25) To undertake and execute any trusts the undertaking whereof may seem desirable, and either gratuitously or otherwise.
- (26) To adopt such means of making known the business and services provided by the Company as may seem expedient, and in particular by advertising in the press, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- (27) To appoint, engage, employ, maintain, provide for and dismiss Attorneys, Agents, Superintendents, Managers, Clerks, Labourers, and Servants in Ceylon or elsewhere, and to remunerate any such at such rate and in such manner as shall be thought fit.
- (28) To promote freedom of contract, and to resist, insure against, counteract, and discourage interference therewith, and to subscribe to any association or fund for any such purposes.
- (29) To do all or any of the above things in any part of the world, and either as principals, agents trustees, contractors or otherwise, and either alone or in conjunction with others , and either by or through agents, sub-contractors, trustees or otherwise.
- (30) To pay all expenses incidental to the formation or promotion of this or any other Company and to remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in or debentures or other securities of the Company or in or about the promotion, formation or business of the Company or of any other company promoted wholly or in part by this Company.
- (31) To do all such other things as are incidental or conducive to the above objects or any of them.
- (32) Carry on the business of Insurance brokering in such manner as the Company may determine;
- (33) Commence and carry on business of organising convention, seminars, workshops, trade fairs, exhibitions, conferences, competitions, contests, lectures and like to provide ancillary facilities for the conduct of the aforementioned activities;
- (34) Carry on business of advising and acting consultants on matters pertaining to all types and kinds of trades, businesses, commerce and industry in Sri Lanka, or else-where ;
- (35) Undertake the business of engaging, providing, hiring and recruiting personnel for or on behalf of any registered person, firm, company, associations, business or enterprise, whether in Sri Lanka or in any other country and for such purpose to provide or supply all facilities and assistance as may be thought fit.
- (36) To carry on business as pawnbrokers and moneylenders, and as dealers in jewellery and precious stones, gold, silver and plated articles, articles of vertu, coins and medals, and as commission agents and general merchants.

The objects set forth in any sub-clause of this clause shall not, except when the

context expressly so requires, be in any way wise limited or restricted by reference to or inference from the terms of any other sub-clause, or by the name of the company .

None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business, undertaking property or act proposed to be transacted, acquired dealt with or performed do not fall within the objects of the first sub-clause of this clause.

4. The liability of members is limited.

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

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
(Sgd) F G N Mendis	
FREDERICK GERMAIN NOEL MENDIS 51/3, Dharmapala Mawatha, Colombo 3. Merchant	One (1)
(Sgd) J. C. N. RODRIGO	
JOSEPH CAITEN NICHOLAS RODRIGO, 653/8, Bloemendal Road Mutwal, Colombo. Merchant.	One (1)
Total Shares taken	Two (2)

Witness to the above signatures at Colombo this 19<sup>th</sup> day of May 1971.

M. D. de Silva  
Proctor S.C.  
Colombo.

**PRELIMINARY**

1. The regulations in Table A in the First Schedule to the Statutes shall not apply to the Company. Table A not to apply
2. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof. Interpretation

*Words**Meanings*

The Company

“ L B FINANCE LIMITED” incorporated or established by or under the Memorandum of Association to which these Article are attached.

The Statutes

The Companies’ Ordinance, No.51 of 1938 and every other Act or Ordinance for the time being in force concerning companies and affecting the Company.

These presents

These Articles of Association, as originally framed, or as from time to time altered by Special Resolution.

Special Resolution &amp; Extraordinary Resolution

Have the meanings assigned thereto respectively by the Statutes

The Directors

The Directors of the Company for the time being acting in conformity with these Articles.

Office

The Registered Office of the Company

Seal

The Common Seal of the Company

Month

Calendar month

Year

Calendar year

In writing

Written or produced by any substitute for writing, or partly one and partly another.

Dividend

Dividend and/or bonus.

Paid up

Paid up or credited as paid up

The expressions ‘debenture’ and ‘debenture-holder’ shall include ‘debenturestock’ and ‘debenture-stockholder’, and the expression ‘Secretary’ shall include any person, firm or Company appointed by the Directors to perform any of the duties of the Secretary.

And words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender, and words importing persons shall include corporation.

Save as aforesaid, any words, or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

The marginal notes are inserted for convenience only and shall not affect the construction of these presents.

3. The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any share in the Company or in its holding Company nor shall the Company make a loan for any purpose whatsoever on the Security of its shares or those of its holding Company, but nothing in this regulation shall prohibit transactions authorised by the Statutes.
- Prohibition on Subscription For purchase of Company's own shares

## CAPITAL

4. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by the next following Article), any share in the capital of the Company for the time being may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital voting or otherwise, as the Company may from time to time by ordinary Resolution determine, and subject to the provisions of Statutes, the Company may issue preference shares which are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by ordinary Resolution determine.
- Issue of shares
- Redeemable preference shares

## VARIATION OF RIGHTS

5. i) Whenever the capital of the Company is divided into different classes of shares, the special rights attached or any class may subject to the provisions of the Statutes be varied or abrogated, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders (but not otherwise) and may be so varied or abrogated either whilst the Company is a growing concern or during or in contemplation a winding-up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company, or to the proceedings thereat, shall *mutates mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those of such holders who are present shall be a quorum) and that any holder of shares in the class present in person or by proxy may demand a poll, and that such holders shall on a poll have one vote for every share of the class held by them respectively.
- How special rights of shares may be varied
- ii) 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
- Issue of shares ranking pari passu

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.

### INCREASE AND REDUCTION OF CAPITAL

6. The Company may from time to time, with the sanction of an Ordinary Resolution of the Company in General Meeting, increase its capital by the creation of new shares, such increase to be of such amount, and to be divided into shares of such respective amounts, and to be issued on such terms and conditions, and with or without a right of preference, whether in respect of dividend or of repayment of capital, or both, or with such deferred rights to the original or other shares of the Company, as the Company may by the resolution sanctioning the increase determine. Power to increase capital
7. All new shares shall be subject to the provisions of these presents with reference to payment of calls, lien, transfer, transmission, forfeiture and otherwise Rights and Liabilities attached to new shares
8. The Company may by Ordinary Resolution:-
- i) Consolidate and divide all or any of its share capital into shares of large amount than its existing shares. Power to consolidate shares
- ii) Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled. Power to cancel shares
- iii) Sub-divide its shares or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares. Power to sub-divide shares.
- And may by Special Resolution-
- iv) Reduce its capital or any capital redemption reserve fund, or any share premium account, in any manner authorised by the Statutes.

### SHARES

9. Save as the Company may by Ordinary Resolution otherwise direct and subject to the provisions of the next succeeding Article the shares in the capital of the Company for the time being shall be at the disposal of the Directors, and they may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper, but so that no shares shall be issued at discount, except in accordance with the Statutes. Shares at the disposal of Directors
10. i) Any further shares of the original capital and all new shares shall unless Shares to be



otherwise authorise by an Ordinary Resolution of the Company (which Resolution in the case of new shares may either be at the time of their creation or at any time thereafter) be offered to Members in proportion to the shares held by them at the time of such offer ( or as near thereto as may be fractions being ignored)

offered to members

and such offer may be at a premium or subject to the provision of the Statutes at a discount as may have been determined by an Ordinary Resolution of the Company or if there shall have been no such determination as the Directors shall determine, Such offer shall be made by notice in writing specifying the number of shares to which the member is entitled and limiting a time within which the offer if not accepted will be deemed to have been declined and shall notify to Members that any Member who desires an allotment of shares in excess of his proportion should state in his reply how many excess shares he desires and if all Members do not claim their proportion the unclaimed shares shall be used for satisfying the claims in excess and any shares not required for satisfying such excess unclaimed shall be at the disposal of the Directors.

ii) Notwithstanding anything in the preceding Article contained the Directors may at their discretion allot any shares (unless otherwise provided in any Resolution of the Company relating thereto) or any of them to Vendor of any business, property or land being acquired by the Company in payment in whole or part of the purchase price for such business, property or land without offering the shares so allotted to members.

11. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that, if the commission shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with, and the commission shall not exceed 10 per cent of the price at which shares are issued. Such commission may be satisfied in whole or in part by the allotment ( if so agreed) of fully or partly paid shares. The Company may also on any issue of shares pay such brokerage as may be lawful.
- Power to pay commissions and brokerage
12. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound or compelled in anyway to recognize any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.
- Exclusion of equities

### CERTIFICATES

As per special resolution passed on 28<sup>th</sup> October 1997

13. i) Every person whose name is entered as a Member in the Register of Members shall be entitled without payment to receive, within the time specified by the Rules and Regulations of the Colombo Stock Exchange, after allotment or lodgment of transfer (or within such other period as the terms of issue shall provide) one certificate for all his shares of any one class or several certificates each for one or more of his shares of any one class. Where a Member transfers part only of the shares comprised in a certificate the old certificate shall be

Issue of Certificates

cancelled and a new certificate shall be issued under the seal and bear the signatures at least of one Director and the Secretary or such other person as may be authorised by the Directors, and shall specify the shares to which it relates, and the amount paid up thereon. Provided that the Company shall not be bound to register more than three persons as the joint-holders of any shares (except in the case of executors or trustees of a deceased member), and in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons or his duly authorised representative shall be sufficient delivery to all.

ii) Where the Directors so resolve one of the signatures in witness of the Seal upon share stock or loan certificates issued by the Company according to the provisions of these Articles may with the approval and subject to the control of the auditors transfer auditors or bankers of the Company be in the form of an autographic signature stamped or printed or impressed thereon.

14. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of such fee (if any) and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in investigating evidence as the Directors think fit. Renewal  
of Certificates

### **CALLS ON SHARES**

15. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the normal value of the shares or by way of premium) and not by the terms of issue thereof made payable at fixed times, provided that no call on any shares shall exceed one fourth of the nominal value of the share or payable at less than one month from the date fixed for the payment of the last preceding call, and each Member shall (subject to at least fourteen days' notice being given specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. Calls
16. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed, and may be made payable by installments. Time  
when made
17. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof. Liability of  
Joint-holders
18. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 9 per cent per annum, as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part. Interest on  
calls

19. Any sum (whether on account of the normal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment, or at any fixed date, shall for all the purposes of these presents be deemed to be call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Sums due on allotment to be treated as calls
20. The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid, and the times of payment. Power to differentiate
21. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him, and such payment in advance of calls shall extinguish so far as the same shall extend, the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate (not exceeding six (6%) per cent per annum) as the Member paying such sum and the Directors agree upon. Payment in advance of calls
- FORFEITURE AND LIEN**
22. If a member fails to pay in full any call or installment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest and expenses which may have accrued. Notice requiring payment of calls
23. The notice shall name a further day (not being less than twenty eight days from the date of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that in the event of non-payment in accordance therewith the shares on which the call was made be liable to be forfeited. Notice to state time and place for payment
24. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder. Forfeiture on non-compliance with notice  
Surrender in lieu of forfeiture
25. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Sale of shares forfeited or surrendered

Directors may, if necessary authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

26. A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date forfeiture or surrender were presently payable by him to the Company in respect of the shares, with interest thereon at 9 per cent per annum (or such lower as the Directors may approve) from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part. Rights of liabilities of members whose shares have been forfeited or surrendered
27. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share, and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such Member, and whether the period 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 (if any) on a share shall extend to all dividends payable thereon. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this Article.
28. The Company may sell in such manner as the Directors think fit 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 fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy. Sale of shares subject to lien
29. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof 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 shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser. Application of proceeds of such sale
30. A declaration in writing under oath or affirmation that the declarant is a Director of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the certificate of proprietorship of the share under seal delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall Title to shares forfeited or surrendered or sold to satisfy a lien

be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be effected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

31. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same has been payable by virtue of a call duly made and notified.
- Forfeiture for non-payment of instalment

### TRANSFER OF SHARES

32. Subject to the restrictions hereinafter contained transfers of shares shall be effected by transfer in writing in the usual common form or in such other form in writing as the Directors shall prescribe or accept and may be under hand only.
- Form of transfer
33. The instrument of transfer of a share shall be signed by or on behalf of the transferor and transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
- Execution

Amended by Special Resolution passed on 28<sup>th</sup> October 1997

34. The Board may in their absolute discretion and without assigning any reason therefor decline to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve and they may also decline to register any transfer of shares (not being fully paid shares) on which the Company has a lien. If the Board refuse to register a transfer they shall within the time specified by the Rules & Regulations of the Colombo Stock Exchange after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
- General power to refuse transfer

35. The Directors may decline to recognise any instrument of transfer, unless –
- i) The instrument of transfer properly stamped is deposited at the office or such other place as the Directors may appoint accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors 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 so to do); and
  - ii) The instrument of transfer is in respect of only one class of share. All instruments of transfer which shall be registered shall be retained by the Company

Amended by Special Resolution passed on 12<sup>th</sup> February 2005

- 35(a) Notwithstanding any provision in these presents suggesting the contrary as long as the shares of the Company are quoted on the Colombo Stock Exchange, such quoted shares shall be freely transferable and the registration of the transfer of such quoted shares shall not be subject to any restriction, save and except to the extent required for compliances with statutory requirements.

Added by  
Special  
Resolution  
passed on  
12<sup>th</sup>  
February  
2005

- 35(b) Notwithstanding anything to the contrary in these presents, as long as the shares of the Company are quoted on the Colombo Stock Exchange, the Directors may register without assuming any liability therefor any transfer of shares which is in accordance with the rules and regulations in force for the time being and from time to time as laid down by the Colombo Stock Exchange and/or by the Central Depository of the Colombo Stock Exchange.

### REGISTRATION OF TRANSFERS

36. The Directors may by such means as they shall deem expedient authorise the registration of transfers or transmission of shares without the necessity of any meeting of the Directors for that purpose. Registration without meeting
37. Upon such notice as may be required by the Statutes the registration of transfers may be suspended and the Register of Members closed at such times and for such period as the Directors may from time to time determine, provided always that such registration shall not be suspended or the Register of Members closed for more than thirty days in any year. Suspension of registration
38. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the Register of Members affecting the title to any share, such fee, not exceeding Rupees five (Rs 5/-) as the Directors may from time to time require or prescribe. Fee for registration of probate
39. Nothing herein contained shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person. Renunciation of allotment

### TRANSMISSION OF SHARES

40. In the case of the death of the Member the survivors or survivor where the deceased was a joint-holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him. Transmission or death
41. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member, upon producing proper evidence of the grant or probate or letters of administration or such other evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title, as the Directors think sufficient, may, with the consent of the Directors, be registered as a member in respect of such shares, or may, subject to the regulations as to transfers hereinbefore contained, transfer such shares. The Directors shall have the same right to refuse to register a person entitled to any shares by transmission in terms of this clause or his nominee, as if he were the transferee named in an ordinary transfer presented for registration. Registration of executors etc.
42. A person becoming entitled to a share in consequence of the death or

bankruptcy of a Member may give a discharge for all dividends and other moneys payable in respect of the shares, but he shall not be entitled in respect thereof its exercise any right conferred by membership in relation to meetings of the Company; or save as otherwise provided by or in accordance with these presents, to any of the rights or privileges of a Member until he shall have become a Member in respect of the share

Rights of  
unregistered  
executors etc

## **STOCK**

43. The Company may by Ordinary Resolution convert any paid-up shares into stock, and may from time to time, by like resolution reconvert any stock into paid up shares of any denomination.
44. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, but no stock shall be transferable except in such units as the Directors may from time to time determine, provided that such units shall not be greater from the nominal amount of the shares from which the stock arose.
45. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which stock arose; but no such privilege of advantage (except as regards, dividend and return of capital) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.
46. All such of the provisions of these presents as are applicable to paid up shares shall apply to stock and the words 'Share' and 'Shareholder' therein shall include 'stock' and 'stockholder'.

Power of  
convert into  
stock

Transfer of  
stock

Rights of  
stockholders

Interpretation

## **GENERAL MEETINGS**

47. The Company shall (subject to any provisions of the Statutes relating to its first Annual General Meeting) in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
48. The Directors may whenever they think fit, convene an Extraordinary General Meeting.

Annual  
General  
Meeting

Extraordinary  
General  
Meetings

## **NOTICE OF GENERAL MEETINGS**

49. An Annual General Meeting and any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of

Notice

which special notice has been given to the Company, shall be called by twenty one days' notice in writing at the least, any other General Meeting by fourteen days' notice in writing at the least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to such Members as are under the provisions of these presents entitled to receive such notices from the Company and to the Auditors: Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above all be deemed to have been duly called if it is so agreed –

Short Notice

- i) In the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and
- ii) In the case of any other General Meeting by that member or majority in number of the Members having a right to attend and vote thereat as is required by the Statutes.

50. The accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any General Meeting.

Omission or non-receipt of notice

- a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him and that a proxy shall be a member of the Company.
- b) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- c) In the case of any Annual General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of the business, and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

Contents of Notice

51. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say -

Routine business

- i) Declaring dividends;
- ii) Considering the Balance Sheet, the Reports of the Directors and Auditors and other accounts and documents required to be annexed to the Balance Sheet;
- iii) Appointing Auditors, and fixing the remuneration of the Auditors on determining the manner in which such remuneration is to be fixed;
- iv) Electing Directors in the place of those retiring by rotation or otherwise.

52. The Directors shall on the requisition of the holders of not less than one tenth of the issued capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting of the Company, in accordance with the requirements of the Statutes.

When Extraordinary Meeting to be called on requisition



## PROCEEDINGS AT GENERAL MEETINGS

53. No business shall be transacted at any General Meeting unless a quorum is present when the Meeting proceeds to business.
54. Three Members present in person or by proxy or attorney or in the case of a Corporation by an authorised representative shall be a quorum for all purposes. Quorum
55. If within fifteen minutes from the time appointed for the meeting, quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the Members present (if more than one) shall be a quorum. Adjournment  
if quorum not  
present
56. The Chairman or Deputy Chairman (if any) of the Directors shall preside as chairman at every General Meeting. If there be no such Chairman or Deputy-Chairman, or if at any meeting he be not present within five minutes after the time appointed for holding the meeting or be unwilling to act, the Directors present shall choose one of their number to be chairman of the meeting, or if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one of their number present to be Chairman. Chairman
57. The chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. Adjournment  
  
Notice of  
adjourned  
meeting
58. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by – Method of  
voting
- i) the chairman of the meeting; or
  - ii) not less than three persons present in person or by Attorney or representative or by proxy and entitled to vote; or
  - iii) a Member or Members present in person or by Attorney or representative or by proxy and representing not less than one tenth of the total voting rights of all the Members having the right to vote at the meeting; or
  - iv) a Member or Members present in person or by attorney or representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right.

A demand for a poll may be withdrawn, unless a poll be demanded ( and the

demand be not withdrawn) a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

59. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the results of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman may (and if so requested shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. How poll to be taken
60. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote. Chairman's casting vote
61. A poll demanded on the election of a chairman of the meeting or on a question of an adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. Time for taking a poll
62. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. Continuation of business after demand for poll

### **VOTES OF MEMBERS**

63. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member who (being an individual) is present in person or by proxy or attorney who is not a member or (being a corporation) is present by a representative or proxy or attorney who is not a member shall have one vote. Subject as aforesaid upon a poll every member who is present in person or by proxy or by attorney or by representative shall be entitled to one vote for each share held by him. Votes of members
64. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy or representative shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding. Voting rights of a joint-holder
65. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonies or other person in the nature of a committee or curator bonies appointed by such court, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office not less than forty eight hours Voting rights of lunatic members

before the time appointed for holding the meeting or adjourned meeting at which such person claims to vote, or in the case of a poll not less than forty eight hours before the time appointed for the taking of the poll.

66. No Member shall be entitled to vote at a General Meeting either personally or by proxy, or to exercise any privilege as a Member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. No rights to vote where a call is unpaid
67. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive. Qualification of voter
68. On a poll votes may be given either personally or by proxy or by Attorney or by representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Votes on a call
- The instrument appointing a proxy shall be writing and Execution of proxies
- i) In the case of an individual shall be signed by the appointor or by his attorney; and
  - ii) In the case of a corporation shall be either under its Common Seal or signed by its attorney or by an officer on behalf of the corporation. The Company may, but shall not be bound to, require evidence of the authority of any such attorney or officer.
69. The instrument appointing a proxy shall be lodged and the power of attorney (if any) under which it is signed, or a notarially certified copy of such power, shall if required be deposited for inspection at the office both not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll before the time appointed for the taking of the poll at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. Deposit of proxies
70. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit; Form of Proxy
- L B Finance PLC
- I/We ..... of ..... being a Member/Members of the abovenamed Company, hereby appoint ..... of ..... or failing him ..... of ..... as my/our proxy to vote for me/us on my/our behalf at the (Annual or Extraordinary) as the case may be) General Meeting of the Company to be held on the ..... day of ..... 19 ..... and at ..... any adjournment thereof.

Signed this ..... day of 19 .....

71. (1) Any form of proxy issued by the Company may in the case of a meeting which special business is to be transacted be so worded that a Member may direct his proxy to vote either for or against any of the resolutions to be proposed. Proxies – general provisions
- (2) The proxy shall be deemed to include the right to demand, or join in demanding a poll.
- (3) An Instrument appointing a proxy, whether in the usual common form or not, shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.

72. A vote given in accordance with the terms of an instrument of proxy shall be valid; notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the office before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used. Intervening death or insanity of principal not to revoke proxy

**CORPORATIONS ACTING BY REPRESENTATIVES**

73. Any corporation 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 of any class of Member of the Company, and the person so authorised shall be entitled to exercise the powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company. Representative s

**DIRECTORS**

74. The first Directors shall be determined in writing by the subscribers to the Memorandum of Association or the majority of them. First Directors

Amended by Special Resolution passed on 18<sup>th</sup> September 2007

75. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than three nor more than nine in number.

Amended by Special Resolution passed on 19<sup>th</sup> October 2006

76. The remuneration of the Directors (excluding any remuneration payable under any other provision of these presents) shall be such sum as the company shall from time to time determine, and such remuneration shall be divided among the Directors in such manner as they shall from time to time in General Meeting determine and shall accrue de die in diem. The Company may by Ordinary Resolution also vote extra remuneration to the Directors or to any Director and either for one year or any longer or shorter period. Remuneration of Directors

77. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors, or of committees of the Directors, or General Meetings, or which he may otherwise incur in or about the business of the Company, or may pay to any Director such allowances as they think proper in respect of such expenses. Expenses
78. Any Director who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine. Extra remuneration
79. A Directors may hold any other office or place of profit under the Company (other than the office of Auditor) and he or any firm of which he is a member or corporation of which he is a member of Director may act in any capacity for the Company (other than as Auditor) in conjunction with his office of Director, for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard thereto or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established. Power of Directors to hold offices of profit and to contract with the company
80. A Director may be or become a Director or other office of , or otherwise interested in, any company promoted by the Company, or in which the Company may be interested as shareholder or otherwise, and every such Director shall account to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other company. The Directors may utilise the voting power on any shares or securities in any such company as aforesaid for the purpose of fixing the remuneration of the directors for such company or any of them. Holding of concurrent office

### **EXECUTIVE DIRECTORS**

81. (i) The Directors may from time to time appoint ore or more of their body to be holder of any executive office, including the office of Chairman or Managing or Joint Managing Director or Manager on such terms and for such period as they may determine. A Director so appointed shall not whilst holding that office, require any qualification or be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors. Appointment of Executive Director
- (ii) The appointment of any director to the office of Chairman or Managing or Joint Managing Director or Manager or any other executive office shall be subject to termination if he cease from any cause to be a Director, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.

82. The Directors may entrust to and confer upon an Executive Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers. Powers of Executive Director
83. An Executive Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine. Remuneration of Executive Director
84. The office of a Director shall be vacated in any of the following events namely
- (i) If he become prohibited by law from acting as a Director.
  - (ii) If (not being an Executive Director holding office as such for a fixed term) he resign by writing under his hand left at the office.
  - (iii) If he has a receiving order made against him or compound with his creditors or is adjudicated an insolvent.
  - (iv) If he be found lunatic or become of unsound mind
  - (v) If he be absent from meetings of the Directors for three months without leave and the Directors resolve that his office be vacated.
  - (vi) If (not being already qualified) he does not obtain his qualification within two months after his appointment, or at any time thereafter cease to hold his qualification, and so that a Director vacating office under this provision shall be incapable of being re-appointed a Director until he shall have obtained his qualification.
  - (vii) If he be requested in writing by all his co-Directors to resign.
  - (viii) If he be removed from office by Resolution of the Company under the provisions of these presents.
85. At each Annual General Meeting one-third of the Directors for the time being , or if their number is not a multiple of three the number nearest to (but not greater than) one-third shall retire from office; Provided that a Director appointed to the office of Chairman, Managing or Joint Managing Director shall not, while holding that office, be subject to retirement by rotation or be taken into account in determining the Director to retire in each year. A Director retiring at a meeting shall retain office until the close of the meeting including any adjournment thereof. Retirement of Directors by rotation
86. The Directors to retire in every year shall be those who, being subject to retirement by rotation, have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day the Directors to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be Selection of Directors to retire

Amended by  
Special  
Resolution  
passed on 3<sup>rd</sup>  
February  
2004

eligible for re-election.

87. The Company at the meeting at which a Director retires in manner aforesaid shall fill the vacated office by electing a person thereto, and in default the retiring Director shall be deemed to have been re-elected, unless –
- i) at such meeting it is expressly resolved not to fill such vacated office, or a resolution for the re-election of such Director is put to the meeting and lost; or
  - ii) such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
  - iii) the default is due to the contravention of the next following Article.
88. Except as otherwise provided by the Statutes, a motion for the appointment of two or more persons as Directors by a single resolution shall not be made at any General Meeting unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it, and any resolution moved in contravention of this provision shall be void. Appointment of Directors to be voted on individually
89. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting, unless not less than fourteen nor more than twenty eight days before the day appointed for the meeting there shall have been left at the office notice in writing signed by some Member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. Notice of intention to appoint Director
90. The Company may by Extraordinary Resolution of which special notice has been given remove any Director before the expiration of his period of office, notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement. Removal of Directors
- Amended by Special Resolution passed on 3<sup>rd</sup> February 2004
91. Without prejudice to the powers of the Directors under the provisions of Article 93, the Company, may by Ordinary Resolution of which special notice has been given, appoint another person in place of a Director removed from office under the last preceding Article or may appoint any person to be a Director to fill a casual vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
92. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director but so that the total number of Directors shall not at any time either exceed the maximum number fixed by or in accordance with these presents or contravene the provision of Article 76. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of The Directors powers to fill casual vacancies or to appoint additional Directors

Directors who are to retire by rotation at such meeting. No person whether a retiring Director or eligible under the provisions of this article shall be eligible for re-election or election if as a consequence of his election the number of Directors who are citizens of Sri Lanka will be less than the number provided by Article 76.

## PROCEEDINGS OF DIRECTORS

93. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority vote. A Director may, and the Secretary, on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Sri Lanka.
- Meetings of Directors  
Votes  
Notice
94. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall be three. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
- Quorum
95. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Statutes.
- Declaration of interest
96. a) Save as by the next following Article otherwise provided, a Director shall not vote in respect of any contract or arrangement in which he is interested (and if he shall do so his vote shall not be counted), nor shall he be counted for the purpose of any resolution regarding the same in the quorum present at the meeting, but this Article shall not apply to –
- Restriction on voting  
Quorum
- i) Any arrangement for giving to him any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company; or
- ii) Any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the company for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity to by the deposit of a security; or
- iii) Any contract by him to subscribe for or underwrite shares or debentures of the Company; or
- iv) Any contract or arrangement with any other company or firm in which he is interested only as a director or partner or other officer or creditor of or as a shareholder in or beneficially interested in the shares of that Company.
- b) The provisions of this Article may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, and any particular contract, arrangement or transaction carried out in contravention of this Article may be ratified by ordinary Resolution of the Company.



97. Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional service as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company. Directors remuneration for professional services
98. The continuing Directors may act notwithstanding any vacancies but if and so long as the number of Directors or the number of Directors who are citizens of Sri Lanka is reduced below the minimum number fixed or in accordance with these presents the continuing Directors or Director may act for the purpose filing up such vacancies or of summoning General Meeting of the Company but not for any other purpose. If there be no Directors or Director able or willing to act then any two members may summon a General Meeting for the purpose of appointing Directors. Proceedings in case of vacancies
99. The Directors may appoint and remove a Chairman and Deputy Chairman or their meetings and may determine the period for which they are to hold office. Of no Chairman or Deputy Chairman shall have been appointed, or if at any meeting the Chairman or Deputy Chairman be not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting. Chairman and Deputy Chairman
100. A resolution in writing signed by all the Directors for the time being in Sri Lanka shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors. Resolution in writing
101. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors. Power to appoint committees
102. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these presents regulating the Meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article. Proceedings of committee meetings
103. All acts done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director, or person acting aforesaid, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote. Validity of acts of Directors in spite of some formal defect
104. **BORROWING POWERS**

The Directors may exercise all the powers of the Company to borrow money, and may (a) mortgage or change its undertaking property and uncalled capital, and (b) issue debentures, debenture-stock, convertible loan stock and other securities, whether outright or as collateral security for any debt liability or obligation of the Company or of any third party: provided that the aggregate amount at any one time outstanding of moneys borrowed by the Company exclusive of –

- i. Any temporary borrowing secured or unsecured from bankers or others in the ordinary course of business to meet temporary requirements on account of produce or merchandise;
- ii. Moneys borrowed with or without security for the purpose of conversion, redemption, renewal or payment off of previously existing debentures, debenture stock or other loan capital;

Amended by  
Special  
Resolution  
passed on  
12<sup>th</sup>  
February  
2005

Shall not without the previous sanction of an Extraordinary Resolution of the Company exceeded twenty times the total of –

- i. the amount of the stated share capital of the Company for the time being; and
- ii. the amount standing to the credit of the Permanent Free Reserves and Retained Earnings in the books of the Company at the time of making the borrowing, and
- iii. the amount for the time being standing to the credit of Share Premium Account in the books of the Company.

but nevertheless no person-dealing with the Company shall be concerned to see or inquire whether these limits are observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the limit hereby imposed had been or would thereby be exceeded.

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| 105. | <ol style="list-style-type: none"> <li>i. Any bonds, debentures, debenture-stock, convertible loan stock or other securities issued or to be issued by the Company shall be under the control of the Directors, who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.</li> <li>ii. Debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</li> <li>iii. Any debentures, debenture-stock bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotments of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise.</li> <li>iv. All certificates for debentures, debenture stock, loan stock or other securities issued in terms of this Article shall be issued under the Seal of the company in accordance with the provisions of these Articles.</li> </ol> | <p>Bonds,<br/>debentures etc<br/>to be subject to<br/>control of<br/>Directors</p> <p>Securities may<br/>to assignable<br/>free form<br/>equities</p> <p>Issue at<br/>discount etc. or<br/>with special<br/>privileges</p> |
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### GENERAL POWERS OF DIRECTORS

106. The business of the Company shall be managed by the Directors either by themselves or through a Managing Director or with the assistance of an Agent or Agents and Secretary or Secretaries of the Company and the Directors shall have power to make and may make such rules and regulations for the management of the business and property of the Company in such manner as they may think most expedient.
- General power of Directors to manage Company's business
107. The Directors may exercise all such powers of the Company as are not by the Statutes or by these presents required, to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the statutes and to such Regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Ordinary Resolution of the Company, but no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made provided however that the Directors shall not without the authority of a Special Resolution of the Company.
- a) arrange terms for the amalgamation of the Company with any other company or individual;
  - b) sell or dispose of the business or undertaking or Estate or lands of the Company or where the consideration exceeds Rs 100,000 any part of any Estate or lands or fixed assets of the Company.
  - c) lease any Estate, lands property of the Company or any part thereof for a term exceeding 21 years

The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

108. (i) The Directors may establish and make contributions or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any provident funds, schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following sub-paragraph shall include any Director) and ex employees of the Company and their widows an dependants or any class or classes of such persons.
- Provident and pension funds
- (ii) The Directors may pay, enter into agreements to pay or make grants recoverable or irrecoverable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex employees and their widows and dependants or to any of such persons including pensions or benefits additional those (if any) to which such employees or ex employees or their dependants are or may become entitled under any such scheme or funds as mentioned in the last preceding sub-paragraph. Any such pensions or benefit may, as the Directors consider desirable, be granted to any employee either before and in anticipation of or upon or at any time after his actual retirement.

109. 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 the Directors shall from time to time by resolution determine. Signing of cheques etc
110. The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary companies, and they may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business so carried on and that may appoint, remove and reappoint any persons (whether members of their own body or not) to act as directors, executive directors or managers or other officers of any such company or any other company in which the Company may be interested, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any person so appointed. Organisation of subsidiary companies
111. The Directors may establish any Local Boards or Agencies for managing any of the affairs of the Company, either in Ceylon or elsewhere, and may appoint any persons to be members of such Local Boards, or any Managers or Agents, and may fix their remuneration, and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any Local Boards, or any of them to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected hereby. Power to establish local boards etc
112. The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents ) and for such period and subject to such conditions as they may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Power to appoint Attorneys
113. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad, and such powers shall be vested in the Directors Power to have a seal for use abroad
114. The Company, or the Directors on behalf on the Company may in exercise of the powers in that behalf conferred by the Statutes cause to be kept a branch register or registers or members and the Directors may (subject to the provisions of the Statutes) make and vary such regulation as they may think fit respecting the keeping of any such register. Power to keep a branch register

**MINUTES**

115. The Directors shall cause minutes to be made in books provided for the purpose
- Minutes to be kept
- a) of all appointments of officers made by the Directors;
  - b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors
  - c) of all resolutions and proceedings at all meetings of the Company and of the Directors and of committees of Directors;

and every Director present at any meeting of Directors or committee of Directors shall sign his name in a book to be kept for that purpose.

**SECRETARY**

116. The Directors shall appoint a Secretary or Secretaries and may appoint an Assistant Secretary for such term at such remuneration and upon such conditions as they think.
- Appointment of Secretaries

**SEAL**

117. The Directors shall provide for the safe custody of the seal which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or Secretaries (if any) or by a second Director or by some person appointed by the Directors for the purpose: such counter-signature on the part of the Secretaries, in the event of a firm or registered company being the secretaries, being signified by a partner, director, secretary or duly authorised attorney or agent of the said firm or company signing for and on behalf of the said firm or company as such secretaries. Provided that the same person shall not sign in two capacities.
- Seal

**AUTHENTICATION OF DOCUMENTS**

118. Any Director or the Secretary or the Assistant Secretary (if any) or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the Directors, and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents or accounts are elsewhere than at the office the local manager or other office of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.
- Power to authenticate documents

**DIVIDENDS**

119. The Company may by ordinary Resolution declare dividends but no dividend shall be payable in excess of the amount recommended by the Directors or
- Payment of Dividends

otherwise than out of profits.

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|------|---|-----------------------------------|
| 120. | Any income derived from the investments of the Company or any part thereof may be treated as profits and dealt with and distributed by way of dividend, without obligation to make provision for any depreciation in the capital value of the investments.  | Income from Investments           |
| 121. | Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purpose of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend as from a particular date, such shares shall rank for dividend accordingly. | Apportionment of dividends        |
| 122. | If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed cumulative preferential dividends on any class of shares carrying a fixed cumulative preferential dividend expressed to be payable on fixed dates on the half-yearly or other dates, if any prescribed for the payment thereof by these presents or by the terms of issue of the shares and subject thereto may also from time to time pay to the holders of any class of shares interim dividends thereon of such amounts and on such dates as they think at.                         | Payment of interim dividends      |
| 123. | If the Company shall issue shares at a premium, whether for cash or otherwise, the Directors shall transfer a sum equal to the aggregate amount or value of the premiums to an account to be called "Share Premium Account" and any amount for the time being standing to the credit of such account shall not be applied in the payment of dividends.  | Share Premium Account             |
| 124. | No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.   | Dividends not to bear interest    |
| 125. | The Directors may deduct from any dividend or other money payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.  | Deduction of debts due to company |
| 126. | The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.  | Retention of dividends            |
| 127. | The Directors may retain dividends payable upon shares in respect of which any person is under the provisions payable upon shares in respect of which any person is under the provisions as to the transmission of shares herein before contained entitled to become a Member, or which any person under those provisions is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.   | Retention of dividends            |

128. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so forfeited shall then revert to the Company. All unclaimed dividends may be invested or otherwise made use of by Directors for the benefit of the Company until claimed. Unclaimed dividends
129. The Company in General Meeting may upon the recommendation of the Directors by ordinary Resolution direct payment of such dividend in whole or in part by the distribution of specific assets and in particular of paid-up shares or debentures of this Company or any other Company or in any one or more of such ways and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors. Payments of dividends in specie
130. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or as otherwise directed in writing by such Member or person, or if several persons are registered as joint holders of the share or are entitled thereto, in consequence of the death or bankruptcy of the holder, to any one of such persons or to such persons and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the other of the person to whom it is sent or to such person as the holder or joint-holders or person or person entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrants if purporting to be endorsed or signed by way of receipt shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Dividends payable by cheque
131. If several persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share. Dividends due to joint-holders

## RESERVES

132. The Directors may, before recommending any dividend set aside, out of the profits of the Company, such sums as they think proper as a reserve fund to meet contingencies, or for equalizing dividends, or for special dividends, or for repairing, improving, and maintaining any of the property of the Company, and for such other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company, and may invest the several sums so set aside upon such investments (other than shares of the Company), as they may think fit, and from time to time deal with and vary such investments, Power to carry profit to reserve  
Application of reserve  
Division of reserve into special

and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve fund into such special funds as they think fit and may employ the reserve fund or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

funds  
Power to carry forward Profits

### **CAPITALISATION OF PROFITS AND RESERVES**

133. i) The Company in General Meeting may upon the recommendations of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution, amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid or partly in the one way and partly in the other and Directors shall give effect to such resolution.

Power to capitalise profits to

Provided that a share premium account and a capital redemption reserve fund may for the purpose of this regulation only be applied in the paying up of unissued shares to be issued to members of the Company as fully or partly paid bonus shares.

- ii) Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares fractional certificates or by payment in cash or otherwise as they think fit for the case of shares, debentures or securities becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the Company on their behalf by, the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts of any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such Members.

Capitalisation of profits

### **REGISTERS**

134. The Directors shall duly comply with the provisions of the Statutes and particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a Register of Directors and Secretaries, a Register of Members, and a register of mortgages and charges and a register of Directors' share and debenture holdings and in regard to the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.

Keeping of registers etc.



## ACCOUNTS

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|------|---|--|
| 135. | The Directors shall cause to be kept such books of accounts as are necessary to comply with the provisions of the Statutes.   | Directors<br>To keep<br>proper<br>accounts |
| 136. | The books of accounts shall be kept at the office, or at such other place in Sri Lanka as the Directors think fit, and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or Directors or by Ordinary Resolution of the Company.   | Inspection of<br>books                     |
| 137. | The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.   | Presentation of<br>Accounts                |
| 138. | A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be annexed thereto) together with a copy of every report of the Auditors relating thereto and of the Directors' report, shall not less than twenty one days before the date of the meeting be sent to every Member of, and every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Statutes or of these presents (provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of joint-holders, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the office). | Copies of<br>Accounts                      |

## AUDIT

- |      |  |                           |
|------|--|---------------------------|
| 139. | At each Annual General Meeting the retiring Auditor shall, without any resolution being passed, be deemed to have been re-appointed until the conclusion of the next ensuing Annual General Meeting, unless –  | Appointment<br>of Auditor |
|      | <ul style="list-style-type: none"> <li>i) he is not qualified for re-appointment, or</li> <li>ii) a resolution has been passed at that meeting in accordance with the Statutes appointing some other person or firm instead of him or providing expressly that he shall not be so appointed; or</li> <li>iii) he has given to the Company notice in writing of his unwillingness to be appointed. In any such case the Company shall at such meeting appoint some other person in lieu.</li> </ul> |                           |
| 140. | The Directors shall have power to fill a casual vacancy in the office of Auditor by appointing some person or firm to hold such office until the conclusion of the next Annual General Meeting, but while any such casual vacancy continues the surviving or continuing Auditor (if any) may act.  | Casual<br>vacancies       |

141. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment, or that he was at the time of his appointment not qualified for appointment. Validity of acts of Auditors in spite of some formal defect
142. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any Member is entitled to receive, and to be heard at General Meeting on any part of the business of the meeting which concerns him as Auditor. Auditors right to receive notice of and attend and speak at general meetings

### NOTICES

143. Any notice or document (including a share certificate) may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address, or (if he has no registered address within Sri Lanka) to the address, if any, within Sri Lanka supplied by him to the Company as his address for the service of notices. Where a notice or other document is served by post, service shall be deemed to be effected at the expiration of 24 hours after the letter containing the same is posted, and in proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted. Service of Notices
144. In respect of joint holdings all notices shall be given to that one of the joint-holder whose name stands first in the Register of Members, and notice so given shall be sufficient notice to all the joint-holders. Service of notices in respect of joint-holders
145. A person entitled to a share in consequence of the death or bankruptcy of a Member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within Sri Lanka for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the Member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all person interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding that such Members be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint-holder. Services of notices after death or bankruptcy of a Member
146. A member who (not having registered with the Company an address within Sri Lanka) has not supplied to the Company an address within Sri Lanka for the service of notices shall not be entitled to have sent to him notices of General Meetings. Notice of general meeting

147. If a member has no registered address in Sri Lanka, and has not supplied to the Company an address within Sri Lanka for the giving of notices to him, a notice posted up in the registered office of the Company shall be deemed to be duly given to him at the expiration of 24 hours from the time when it is so posted up. Notices on Members having no registered address
148. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. Notice by Advertisement
149. Any notice required to be or which may be given by advertisement shall unless otherwise required by the Statutes be advertised once in any leading National daily newspaper. Mode of giving notice by advertisement
150. Notwithstanding anything in these Articles contained the Directors may if they so determine and at the cost and expense of the Company cause any notice or circular to members to be sent by air mail to the address outside Sri Lanka of all such members of whose address outside Sri Lanka the Company or its Secretaries and/or Agents and Secretaries shall be aware and that whether or not the member shall have registered an address in Sri Lanka or shall have been sent such notice or circular to his address in Sri Lanka. A notice so sent by air mail shall be deemed to have been served within 24 hours after the posting of the same. Nothing in this Article contained shall entitle a member who has not registered or supplied an address in Sri Lanka to have notices sent to him of a General Meeting. Notices may be sent to addresses outside Sri Lanka

### WINDING UP

151. i) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidators may with the sanction of an Extraordinary Resolution divide among the contributories in specie or kind any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them as the Liquidators, with the like sanction, shall think fit. Distribution of assets in specie
- ii) If thought expedient any such division may be otherwise than in accordance with the legal rights of the contributories ( except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special right or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 225 of the Statutes.
- iii) In case any of the shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the Extraordinary Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable, act accordingly. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trust for the benefit of Members as the Liquidator with like authority

shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.

iv) Any member of the Company whether a Director or not and whether alone or jointly with any member or person, firm or company may become the purchaser of the property of the Company or any part thereof in a winding up or at any other time when a Sale of Company's property or any part thereof shall be made or effected by the Company.

### INDEMNITY

152. Subject to the provisions of the Statutes, every Director, Manager, Auditor, Secretary, or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.
- Indemnity of  
Directors and  
officers

### INSURANCE AND INDEMNITY

- Added by 153. The Company, may with the prior approval of the Board, effect insurance for a Special Resolution passed on 18<sup>th</sup> September 2007 Director or employee of the Company in respect of any –
- i) liability not being criminal liability, for any act or omission in his capacity as a Director or employee:
  - ii) costs incurred by that Director or employee in defending or settling any claim or proceedings relating to any such liability; or
  - iii) costs incurred by that Director or employee in defending any criminal proceedings in which he is acquitted.

### COMPLIANCE WITH RULES

- Added by 154. Notwithstanding anything to the contrary contained in the Articles, so long as the Company is listed on the Colombo Stock Exchange, the Company shall comply with the Rules of the Colombo Stock Exchange and the Central Depository System, which shall be in force from time to time
- Special Resolution passed on 29<sup>th</sup> June 2010

In witness whereof, the subscribers to the Memorandum of Association have hereto set and subscribed their names at the places and on the date hereafter written.

(Sgd:) F.G.N MENDIS

(Sgd:) J.C.N. RODRIGO

Witness to the above signatures at Colombo this 19<sup>th</sup> day of May 1971

M. D. de Silva  
Proctor S.C.  
Colombo