

THE COMPANIES ACTS, 1948 to 1967

COMPANY LIMITED BY SHARES

# Articles of Association OF <sup>PROPERTY</sup> ~~Caledonian Commercial Real Estate~~ Investments Limited

(As altered by Special Resolutions passed on 2 October 1973  
and 28 March 2003)

## I. PRELIMINARY.

1. The regulations contained in Table A in the First Schedule to the Companies Act, 1948, shall not apply to this Company, but instead thereof the following shall be the regulations of the Company.

2. In the construction of these Articles, the marginal notes hereto shall not affect such construction, and words standing in the first column of the table next hereinafter contained shall have the meanings set opposite to them respectively in the second column thereof, unless there shall be something in the subject or context inconsistent therewith :—

Words	Meaning
The Act	The Companies Act, 1948.
The Statutes	The Companies Act, 1948, and every other Act concerning joint stock companies for the time being in force and affecting the Company.
These Articles	These Articles of Association and the regulations of the Company for the time being in force.
Office	The registered office of the Company for the time being.
The Seal	The common seal of the Company.
Paid up	Includes credited as paid up.
Dividend	Includes bonus.
Debenture	Includes debenture stock.
Debenture holder	Includes debenture stock holder.
In writing	Written or produced by any substitute for writing, or partly written and partly so produced.



The Board	The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present.
Month	Calendar month.

Words denoting the masculine gender only shall include the feminine gender also, and

Words denoting the singular number only shall include the plural number also, and vice versa, and

Words denoting persons only shall include corporations.

Subject as aforesaid and subject to any special definitions hereinafter contained, any words or expressions defined in the Statutes shall bear the same meanings in these Articles.

Reference to any section or provision of the Act shall, if not inconsistent with the subject or context, include also any corresponding or substituted section or provision of any statute amending, consolidating or replacing the Act.

3. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

4. The Company is a Private Company and accordingly :—

- (a) the right to transfer shares is restricted in manner hereinafter prescribed;
- (b) the number of Members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be Members of the Company), is limited to fifty: Provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this regulation be treated as a single Member;
- (c) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited;
- (d) the Company shall not have power to issue share warrants to bearer.

5. The Board may at any time require any person whose name is entered in the Register of Members of the Company to furnish them with any information, supported (if the Board so requires) by a statutory declaration, which they may consider necessary for the purpose of determining whether or not the Company is an exempt Private Company within the meaning of sub-section (4) of Section 129 of the Act.

## II. CAPITAL.

### 1. Shares.

6. The initial Share Capital of the Company is £50,000 divided into 50,000 Ordinary Shares of £1 each.

7. No part of the funds of the Company shall be employed directly or indirectly in the purchase of, or in loans on the security of, shares of the Company, and the Company shall not give any financial assistance for the purpose of or in connection with any such purchase, but nothing in this Article shall prohibit any such transaction as is mentioned in the proviso to Section 54 (1) of the Act.

8. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 65 of the Act, and may charge the same to capital as part of the cost of the construction of the works or buildings or the provision of plant.

9. The shares of the Company for the time being unissued (including shares which the Company shall have power to issue under Section 58 (4) of the Act or otherwise) shall be under the control of the Board, who may (subject to any direction given pursuant to Article 50) allot or otherwise dispose of the same to such persons at such times on such terms and conditions as they think fit, and with full power to give to any person the call of any shares either at par or at a premium, and for such time and for such consideration as the Board think fit, but so that shares shall not be issued at a discount except in accordance with Section 57 of the Act.

10. Without prejudice to any special rights previously conferred on the holders of existing shares, any share (including shares which the Company shall have power to issue under Section 58 (4) of the Act or otherwise) may be issued with such preferred, deferred or other special rights, or such restrictions whether in regard to dividend, voting, return of share capital or otherwise, as the Board may from time to time determine, and any Preference Share may be issued on the terms that it is, or at the option of the Company is liable to be, redeemed. Subject to the provisions of Section 58 of the Act, the redemption of such shares may be effected on such terms and in such manner as the Board may from time to time determine.

11. Subject to the provisions of Section 72 of the Act and unless otherwise provided by the terms of issue of the shares of the class, all or any of the rights or privileges belonging to any class of shares forming part of the capital for the time being of the Company may be varied, abrogated, or abandoned 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 the holders of the shares of the class. To every such separate General Meeting the provisions of these Articles relating to General Meetings of the Company shall mutatis mutandis apply, but so that (A) no Member not being a Director shall be entitled to notice thereof or to attend thereat, unless he be a holder of shares of the class, and (B) the necessary quorum shall be two persons at least holding or representing by proxy one-third of the shares of the class, and (C) the holders of shares of the class shall on a poll have one vote for each share of the class held by them respectively, and (D) if at any adjourned meeting of such holders a quorum as above specified is not present, those Members who are present shall be a quorum. This Article shall not be read as implying the necessity for any such consent or resolution as aforesaid in any case in which, but for this Article, the object of such consent or resolution could have been effected without such consent or resolution.

12. Upon any offer of shares or debentures, the Company may pay to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares or debentures of the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares or debentures of the Company such commission as the Board may from time to time determine, either in cash or in fully paid shares or debentures of the Company or partly in one way and partly in the other, provided that upon an offer of shares the amount or rate per centum of the commissions paid or agreed to be paid shall not exceed 10 per centum of the price at which the shares are issued, or an amount equivalent thereto. The Company may also on any issue of shares pay such brokerage as may be lawful.

13. If two or more persons are registered as joint holders of any share their liability in respect thereof shall be several as well as joint, and any one of such persons may give effectual receipts for any dividends, bonuses, return of capital or other moneys payable in respect of such share.

14. The legal personal representative of a deceased holder of a share, not being a joint holder, and in the case of the death of one or more joint holders, the survivor or survivors, shall alone be recognised by the Company as having any title to the share, but nothing herein contained shall be taken to release the estate of a deceased holder (whether sole or joint) from any liability on shares held by him solely or jointly with any other person.

15. Save as required by the Statutes the Company shall not be bound by or be compelled in any way to recognise, even when having notice thereof,

any trust or any other right in respect of a share than an absolute right there-  
to in the registered holder thereof for the time being or such other rights in  
case of transmission thereof as are hereinafter mentioned.

## 2. Certificate of Shares.

16. Every person whose name is entered as a Member in the Register of Members and every Member who transfers part only of the shares comprised in any one certificate shall be entitled without payment to one certificate for all the shares of one class in respect of which he is registered or of which he remains the holder as the case may be. Every Member shall be entitled to several certificates each for one or more of the shares of any class of which he shall at any time be the holder upon payment of such sum not exceeding one shilling for every certificate after the first as the Board shall from time to time require. Every certificate shall be under the Seal, and shall be signed in manner hereinafter provided, and shall specify the number and class of shares to which it relates and the distinctive number (if any) of such shares and the amounts paid up thereon respectively. Provided that in respect of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

17. If a certificate be defaced, worn out, destroyed or lost, it may be renewed upon payment of such sum, not exceeding one shilling, as the Board may from time to time require upon the production of such evidence of its having been defaced, worn out, destroyed or lost, as the Board may consider satisfactory, and upon surrender of any defaced or worn out certificate and upon such indemnity, with or without security, as the Board may require.

## 3. Calls on Shares.

18. The Board may from time to time (subject to any terms upon which any shares may have been issued) make such calls as they think fit upon the Members in respect of all moneys unpaid on their shares, provided (subject as aforesaid) that fourteen days' notice at least be given of each call, and that no call shall exceed one-half of the nominal amount of a share or be made payable within one month after the last preceding call was payable. Each Member shall be liable to pay the calls so made to the persons and at the times and places appointed by the Board. A call may be made payable by instalments. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call shall have been passed.

20. If any call payable in respect of any share be not paid on or before the day appointed for payment, the holder or allottee of such share shall be liable to pay interest upon such call or money from such day until it is actually paid, at the rate of £10 per centum per annum or such less rate as may be fixed by the Board, but the Board shall be at liberty to waive payment of that interest wholly or in part.

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

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

23. The Board may, if they think fit, receive from any shareholder willing to advance the same all or any part of the money unpaid upon any of the shares held by him beyond the sums actually called for, either as a loan repayable or as a payment in advance of calls, but such advance whether repayable or not shall until actually repaid extinguish, so far as it shall extend, the liability existing upon the shares in respect of which it is received. Upon the money so received, or upon so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company shall pay interest at such rate (not exceeding without the sanction of the Company in General Meeting 10 per centum per annum) as the Member advancing the same and the Board may agree upon. No sum paid in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared and payable to the Members on the register at a date prior to the date on which such sum would, but for such payment in advance, have become presently payable.

#### 4. Transfer and Transmission of Shares.

24. The transfer of any share shall be in writing in the usual common form, but need not be under seal. The transfer shall be signed by or on behalf of the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof. Any Member desiring to transfer shares of different classes at the same time shall (if required by the Company) use a separate instrument of transfer for each class of share to be transferred. There shall be paid to the Company in respect of the registration of any transfer such fee, not exceeding two shillings and sixpence, as the Board may from time to time require.

25. The instrument of transfer shall be lodged with the Company accompanied by the certificate of the shares comprised therein, and such evidence as the Board may require to prove the title of the transferor, and thereupon and upon payment of such fee as aforesaid, the transferee shall (subject to the Board's right to decline to register hereinafter mentioned) be

registered as a Member in respect of such shares, and the instrument of transfer shall be retained by the Company. The Board may waive the production of any certificate upon evidence satisfactory to them of its loss or destruction and on such terms (if any) as to indemnity or security or both as the Board think fit.

26. The Board may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of shares to a person of whom they shall not approve, and they may also decline to register any transfer of shares on which the Company has a lien, and any transfer of shares (whether made in accordance with the last preceding Article or not) made to an infant or a person of unsound mind or made in contravention of the provisions of Article 4 hereof. If the Board refuse to register a transfer of any shares they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal, in compliance with Section 78 of the Act.

27. The register of Members may be closed and the registration of transfers suspended for such period or periods as the Board may from time to time determine, provided always that it shall not be closed for more than thirty days in any year.

28. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall, upon such evidence being produced as, having regard to Section 82 of the Act, may from time to time be properly required by the Board, have the right either to be registered as a Member in respect of the share, or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made, but the Board shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt Member before the death or bankruptcy. There shall be paid to the Company for every such registration and for every registration of any power of attorney, death or marriage or other certificate, probate, letters of administration or other document in respect of any shares, such fee, not exceeding two shillings and sixpence, as the Board may from time to time require.

29. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall upon such evidence as aforesaid be entitled to all dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided always that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 days the Board may without prejudice to their powers under Article 37 thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

### 5. Lien on Shares.

30. The Company shall have a first and paramount lien on all shares not fully paid up, and on the interest and dividends declared or payable in respect thereof, for all moneys due to and liabilities subsisting with the Company, from or on part of the registered holder or any of the registered holders thereof, either alone or jointly with any other person, whether a Member or not, and whether the period for the payment or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Article 15 shall have full effect.

31. The Company may enforce its lien by sale, in such manner as the Board may think fit, of all or any of the shares on which the lien may attach, provided that no sale shall be made except in the case of a debt or liability the amount of which shall have been ascertained, nor 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 such part of the amount in respect of which the lien exists as is presently payable and giving notice of the intention to sell in default, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.

32. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the amount due, and the residue (if any) shall be paid to the Member or person (if any) entitled by transmission to the share at the date of the sale, provided always that the Company shall be entitled to a lien upon such residue in respect of any moneys due to the Company but not presently payable similar to that which it had upon the shares immediately before the sale thereof.

33. For giving effect to any sale as aforesaid, the Board may appoint some person to execute a transfer of the shares, sold to the purchaser thereof, and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by any irregularity or invalidity in, the proceedings, or be bound to see to the application of the purchase money, and after his name has been entered in the register the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

### 6. Forfeiture and Surrender of Shares.

34. If any Member fail to pay the whole or any part of any call on the day appointed for payment thereof, the Board may, at any time while the same remains unpaid, serve a notice on him requiring him to pay the same together with any interest that may have accrued thereon and any expenses that may have been incurred by the Company by reason of such non-payment.



35. The notice shall name a further day, not being less than fourteen days from the service of the notice, on or before which such call or other money, and all interest and expenses that have accrued by reason of such non-payment, are to be paid and the place where payment is to be made (the place so named being either the Office or some other place at which calls of the Company are usually made payable), and shall state that, in the event of non-payment on or before the day and at the place appointed, the share in respect of which such payment is due will be liable to be forfeited.

36. If the requisitions of any notice as aforesaid are not complied with, the share in respect of which such notice has been given may at any time thereafter, before payment of all money due thereon with interest and expenses shall have been made, be forfeited by a resolution of the Board to that effect. A forfeiture of shares shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

37. Where any person becomes entitled to a registered share and does not become registered as holder thereof, or a transferee from him does not become so registered for three months after that person has been so required by notice from the Board, such share may at any time after the expiration of that period and before the requirements of the said notice have been complied with be forfeited by a resolution of the Board to that effect.

38. Any share forfeited shall be deemed to be the property of the Company, and may be held, re-allotted, sold or otherwise disposed of either to the person who was before forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board think fit, and in case of re-allotment, with or without any money previously paid on the share being credited as paid up. The Board may, if necessary, appoint some person to execute a transfer of a forfeited share to any such other person as aforesaid.

39. The Board may at any time before any share so forfeited shall under the foregoing Articles have been re-allotted, sold or otherwise disposed of, annul the forfeiture thereof, upon such conditions as they may think fit.

40. Any person whose shares have been forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls or other money, interest and expenses owing in respect of such shares at the time of forfeiture, together with interest thereon from the time of forfeiture until payment at the rate of £10 per centum per annum or such less rate as may be fixed by the Board, and the Board may enforce the payment of all such moneys or any part thereof if they think fit, but shall not be under any obligation so to do.

41. The Board may accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof. Any shares so surrendered may be disposed of in the same manner as a forfeited share.

42. In the event of the re-allotment or sale of a forfeited or surrendered shares, or the sale of any share to enforce a lien of the Company, a certificate in writing under the Seal that the share has been duly forfeited, surrendered or sold in accordance with the regulations of the Company shall be conclusive evidence of the facts therein stated as against all persons claiming the share. Such certificate, together with a certificate of proprietorship under the Seal, shall be delivered to the purchaser or allottee, and (subject to the execution of any necessary transfer) he shall be registered in respect thereof, and thereupon he shall be deemed the holder of the share discharged from all calls or other money, interest and expenses due prior to such purchase or allotment, and he shall not be bound to see to the application of the purchase money or consideration, nor shall his title to the share be affected by any irregularity or invalidity in the forfeiture, surrender, sale or disposal of the share.

#### 7. Conversion of Shares into Stock and Reconversion.

43. The Company may from time to time by resolution of a General Meeting convert all or any of its paid up shares into stock and from time to time in like manner reconvert such stock into paid up shares of any denomination. It shall be no objection to any such resolution that it shall be expressed to have effect in the future upon any shares being issued and becoming fully paid up.

44. When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in such manner as the Company in General Meeting shall direct, and in default of any such direction, in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; but the Board may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of that minimum shall not be transferable, with power nevertheless at their discretion to waive the observance of such rules in any particular case, and so that such minimum shall not exceed the nominal amount of each of the shares from which the stock arose.

45. The stock shall confer on the holders thereof respectively the same rights as would have been conferred by shares of equal amount of the class converted in the capital of the Company, but so that none of such rights, except the participation in the profits of the Company and in the assets of the Company on a winding-up, shall be conferred by any such amount of stock as would not, if existing in shares of the class converted, have conferred such rights.

46. All such provisions of these Articles (other than those relating to share warrants) as are applicable to paid up shares shall apply to stock and in all such provisions the word "share" and "shareholder" shall include "stock" and "stockholder".

## 8. Consolidation and Division and sub-Division of Shares.

47. The Company may from time to time in General Meeting :—

- (A) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (B) Sub-divide its existing shares, or any of them, into shares of smaller amount, subject, nevertheless, to the provisions of paragraph (d) of sub-section (1) of Section 61 of the Act.

48. The resolution whereby any share is sub-divided may provide that, as between the shares resulting from such sub-division, one or more of them shall carry such preferences, and special advantages in respect of dividend, return of capital, voting or otherwise as may be specified in the resolution, and any such provision shall have effect.

49. The Board may make such provisions as they think expedient for the case of fractions of shares resulting from any sub-division or consolidation of shares, whether by the issue of fractional certificates or by sale and distribution of the proceeds or otherwise howsoever, and may appoint any person to sell such fractions on behalf of the persons who would otherwise be entitled thereto, and for the purposes of such sale to execute a transfer of such fractions or of any complete shares representing the same.

## 9. Increase and Reduction of Capital.

50. The Company in General Meeting may from time to time increase the capital of the Company by the creation of new shares of such aggregate amount, divided into shares of such denominations, as the General Meeting resolving on the creation thereof may direct, and the provisions of these Articles shall apply to the new capital in the same manner in all respects as to the original capital of the Company. Subject to any direction to the contrary that may be given by the Meeting that sanctions the increase of capital, all new shares shall be offered to the Members in proportion to the existing Ordinary Shares held by them, and such offer shall be made by notice 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 be declined; and after the expiration of such time, or on receipt of an intimation from the Member to whom such notice is given, that he declines to accept the shares offered, the Board may dispose of the same in such manner as they think most beneficial to the Company.

51. The Company may from time to time by Special Resolution, and with and subject to any incident authorised and consent required by law, reduce its share capital, any capital redemption reserve fund and any share premium account by paying off capital, cancelling capital which has been lost or is unrepresented by available assets, extinguishing or reducing the liability on the shares, or otherwise as may seem expedient, and may by Ordinary Resolution cancel shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

### III. MEETINGS OF MEMBERS.

#### 1. Convening of General Meetings.

52. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Provided that, so long as the Company holds its first Annual General Meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation or the following year. The Annual General Meeting shall be held at such time and place as the Board shall appoint.

53. The above-mentioned General Meetings shall be called Annual General Meetings; all other meetings shall be called Extraordinary General Meetings.

54. The Board may, whenever they think fit and they shall upon the receipt of a requisition made in writing by Members in accordance with Section 132 of the Act, convene an Extraordinary General Meeting.

55. Subject to any provisions of the Statutes requiring special notice of a resolution, an Annual General Meeting and a meeting for the passing of a Special Resolution shall be called by not less than twenty-one days' notice in writing and a meeting of the Company other than an Annual General Meeting or a meeting for the passing of a Special Resolution shall be called by not less than fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and also of the day for which it is given and shall specify the place, the day and the hour of the meeting and in the case of special business the general nature of such business and shall be given in manner hereinafter mentioned, or in such other manner as may from time to time be prescribed by the Company in General Meeting, to such persons as are under these Articles entitled to receive such notice. The accidental omission to give notice of a meeting to, or non-receipt of notice by, any Member shall not invalidate the proceedings at any General Meeting.

56. A meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called with regard to length of notice if it is so agreed :—

- (A) in the case of a meeting called as the Annual General Meeting by all the Members entitled to attend and vote thereat;
- (B) in the case of any other meeting by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per centum in nominal value of the shares giving that right.

57. The notice convening an Annual General Meeting shall specify the meeting as such. All business shall be deemed special that is transacted at an Extraordinary General Meeting. All business that is transacted at an Annual General Meeting shall also be deemed special with the exception of sanctioning a dividend, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors in the place of those retiring, and the fixing of the remuneration of the Directors and Auditors.

58. In every notice calling a meeting of the Company or any class of Members of the Company there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy need not also be a Member.

## 2. Proceedings at General Meetings.

59. No business shall be transacted at any General Meeting unless a quorum is present at the time when the Meeting proceeds to business. Two Members present in person or by proxy shall be a quorum.

60. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon the requisition of or by Members, shall be dissolved. In any other case it shall stand adjourned to such day in the next week, and to such place, as may be appointed by the Board.

61. If at any adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum.

62. The Chairman of the Board (if any), or, in his absence the Deputy-Chairman (if any), shall preside as Chairman at every General Meeting of the Company.

63. If at any General Meeting neither the Chairman nor the Deputy-Chairman is present within fifteen minutes after the time appointed for holding the meeting, or if neither of them is willing to act as Chairman, the Directors present shall choose one of their number to act, and if there be no Director chosen who shall be willing to act the Members present shall choose one of their number to act as Chairman.

64. The Chairman may, with the consent of any meeting at which a quorum is present, adjourn any General Meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given in the same manner as an original meeting.

65. Every question submitted to a General Meeting shall be decided, in the first instance, by a show of hands. In case of an equality of votes, the Chairman shall not, whether on a show of hands or at a poll, have a casting vote.

66. At any General Meeting, unless a poll is demanded, a declaration by the Chairman that a resolution has been carried, or carried unanimously, or carried by a particular majority or lost, or not carried by a particular majority and an entry to that effect in the minute book of the Company, shall be sufficient evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

67. A poll may be demanded upon any question by the Chairman or by not less than two Members entitled to vote or by one or more Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting or by a Member or Members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the sum paid upon all the shares conferring that right. The demand for a poll may be withdrawn.

68. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken in such manner, at such place, and either immediately or at such other time as the Chairman shall before the conclusion of the meeting direct, and the result of such poll shall be deemed to be the resolution of the Company in General Meeting as at the date of taking the poll.

69. 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 a poll has been demanded.

### 3. Votes at General Meetings.

70. Subject to any special terms as to voting upon which any capital may be issued or may from time to time be held, on a show of hands every Member present in person shall have one vote, and on a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share held by him.

71. Any Member of unsound mind, or in respect of whom an Order has been made by any Court having jurisdiction in lunacy, may vote by his committee, curator bonis, or other legal curators, and on a poll any such committee, curator bonis, or other legal curator may vote by proxy.

72. If two or more persons be jointly entitled to a share, any one of such persons may vote at any meeting, either personally or by proxy in respect thereof, as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting either personally or by proxy,

"I,  
"of  
"being a Member of the above mentioned Company, hereby appoint  
"  
"of  
"and failing him,  
"of  
"as my proxy to vote for me and on my behalf at the (Annual,  
"Extraordinary or Adjourned, as the case may be) General Meeting of  
"the Company to be held on the                  day of                  , and at  
"any adjournment thereof in favour of with or without modification  
against  
"the resolutions to be proposed thereat.  
"to be proposed thereat.  
"As witness my hand this                  day of  
"19        ."

## FORM B.

"CALEDONIAN COMMERCIAL REAL ESTATE INVESTMENTS  
LIMITED.

"I, \_\_\_\_\_,  
 "of \_\_\_\_\_,  
 "being a Member of the above mentioned Company, hereby appoint \_\_\_\_\_,  
 "of \_\_\_\_\_,  
 "and failing him, \_\_\_\_\_,  
 "of \_\_\_\_\_,  
 "as my proxy to vote for me and on my behalf at the (Annual,  
 "Extraordinary or Adjourned, as the case may be) General Meeting of  
 "the Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_  
 "and at any adjournment thereof.  
 "As witness my hand this \_\_\_\_\_ day of \_\_\_\_\_,  
 "19 \_\_\_\_."

75. A proxy need not be a Member of the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

76. 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 Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual shareholder of the Company. A corporation giving such authority shall furnish to the Company a copy of such resolution under the seal of the corporation or certified by the secretary or other proper officer of the corporation or such other evidence of such resolution as the Board may reasonably require.

77. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the office not less than forty-eight hours before the time at which the person named in the instrument proposes to vote pursuant thereto and in default the instrument of proxy shall not be treated as valid.

78. 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 it was executed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received at the office at least two hours before the time fixed for the commencement of the meeting or adjourned meeting at which the proxy is used.



#### IV. DIRECTORS.

##### 1. Number and Appointment of Directors.

79. Unless and until otherwise determined by the Company in General Meeting, the number of the Directors shall not be less than two nor more than ten. The names of the first Directors shall be determined in writing by the Subscribers to the Memorandum of Association.

80. The continuing Directors may act, notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to these Articles, the continuing Directors may act for the purpose of calling a General Meeting of the Company, but for no other purpose, and may act for such purpose whether or not their number is reduced below the number fixed by or pursuant to these Articles as the quorum.

81. (A) Any Director may in writing under his hand served on the Company appoint any person or persons to be his alternate or alternates provided that no Director may appoint more than two persons to act as his alternates at any one time.

(B) Every such alternate shall be entitled to receive notice of all meetings of the Directors unless he shall be absent from the United Kingdom.

(C) Every such alternate shall be entitled, in the absence of the Director appointing him, to attend and vote at all meetings of the Directors and to exercise all the rights, powers, duties and authorities of the Director appointing him provided that if one Director shall appoint two alternates at any one time the second person so appointed shall only be entitled to act as aforesaid in the absence of the first person so appointed.

(D) A Director acting as an alternate shall have an additional vote (and a person not being a Director acting as an alternate shall have one vote) at all meetings of the Directors for each Director for whom he acts as alternate and he shall count accordingly for the purpose of determining whether a quorum be present.

(E) A Director may at any time in writing under his hand served on the Company revoke the appointment of an alternate appointed by him, and appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate or alternates shall thereupon cease and determine.

(F) Every person acting as an alternate Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such alternate Director shall be payable out of the remuneration otherwise payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the alternate and the Director appointing him.

## 2. Qualification, Remuneration and Age of Directors.

82. A Director shall not be required to hold any share qualification.

83. The remuneration of the Directors shall from time to time be determined by the Company in General Meeting. The Directors may also be paid their travelling, hotel and other expenses reasonably incurred in attending and returning from Board Meetings or in connection with any business of the Company.

84. No person shall be incapable of being appointed a Director by reason of his having attained the age of seventy years or any other age nor shall any Director vacate his office by reason of his attaining or having attained the age of seventy years or any other age.

## 3. Powers of Directors.

85. The business of the Company shall be managed by the Board, who may exercise all the powers of the Company, subject, nevertheless to the provisions of the Statutes and of these Articles, and to such regulations (being not inconsistent with any such provisions) as may be prescribed by the Company in General Meeting, but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made.

86. The Board may appoint from time to time any one or more of their number to be Managing Director or Managing Directors or to discharge the duties of a Managing Director either without any other office of profit under the Company or in conjunction with any such office, and on such terms as to remuneration, and with such powers and authorities and for such period as they deem fit, and may from time to time revoke any such appointment, provided that no Managing Director shall by virtue only of holding such office be entitled to exercise any of the powers, authorities or discretions of the Board, but only such powers, authorities or discretions as shall be conferred on him by resolution of the Board.

87. The Board may grant to any Director required to exercise any special executive or other duties or make any special exertions for any of the purposes of the Company or to go overseas or exercise special local duties such special remuneration with travelling and hotel expenses for the services rendered as the Board think proper and such remuneration may be either in addition to or in substitution for the remuneration in Article 83 provided.

88. The Board may grant pensions, superannuation allowances or gratuities to employees or ex-employees or persons who are or have been Directors or officers of the Company or its predecessors or associates in business, or the relatives, connections or dependants of such employees or ex-employees or persons and establish schemes, funds and trusts in relation thereto.

#### 4. Borrowing Powers.

89. The Board may borrow or raise any sum or sums of money on such security, if any, and on such terms as to interest or otherwise as they deem fit, and for the purpose of securing the same and interest or for any other purpose, create, issue, make and give respectively any perpetual or redeemable debentures or debenture stock or any mortgage or charge on the undertaking or the whole or any part of the property present or future of the Company, including its uncalled capital, and any debentures, debenture stock and other securities may be so framed as to constitute a floating charge, or may be otherwise charged, upon all or any of the Company's property, undertaking or uncalled capital, present or future, and may be made assignable free from any equities between the Company and the person to whom the same may be issued, and so that every debenture, debenture stock, certificate, trust deed mortgage or other charge shall be under the Seal, and that every mortgage or charge created by the Company shall be registered in accordance with the provisions of the Statutes.

#### 5. Official Seal for Use Abroad and Dominion Register.

90. The Company may exercise the powers conferred by Section 35 of the Act, and such powers shall be vested in the Board. The Company may also exercise the powers of Sections 119 and 120 of the Act with reference to the keeping of dominion registers, and the Board may, subject to the provisions of those Sections make and vary such regulations as they may think fit respecting the keeping of any such register.

#### 6. Proceedings of Directors.

91. The Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The quorum necessary in the transaction of the business of the Directors shall be two.

92. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom.

93. Questions arising at any meeting shall be decided by a majority of votes each Director having one vote. In case of an equality of votes the Chairman of that meeting shall not have a second or casting vote.

94. The Board may elect a Chairman and Deputy-Chairman of their meetings, and determine the period for which they are to hold office, but if no such Chairman or Deputy-Chairman be elected, or if they be not present within fifteen minutes after the time appointed for holding a meeting, the Directors present may choose some one of their number to be Chairman of such meeting.

95. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all authorities, powers, and discretions for the time being exercisable by the Board.

96. The Board may delegate any of the powers to Committee consisting of such member or members of their body as they think fit. Any Committee so formed shall, in exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board.

97. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding clause.

98. All acts done bona fide by any meeting of the Board or of a Committee of the Board or by any person acting as Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

99. The Board shall cause minutes to be entered in books provided for the purpose of all resolutions and proceedings at all meetings of the Company, and of the Board, and of Committees of the Board. Any such minutes of any meeting of the Company or of the Board or of any Committee of the Board, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

#### 7. The Seal.

100. The Board may affix the Seal to any document provided that such document be also autographically signed by at least one Director and autographically countersigned by the Secretary or such other person as the Board may appoint for the purpose. Every certificate for shares, stock, or debenture stock, or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued under the Seal and shall bear the autographic signatures of at least one Director and of the Secretary or other person aforesaid.

#### 8. Disqualification of Directors.

101. The office of a Director shall be vacated :—

- (A) If he ceases to be a Director by virtue of Section 182 of the Act;

- (B) If he is prohibited from being a Director by an order made under Section 188 of the Act;
- (C) If he is found lunatic or becomes of unsound mind;
- (D) If he is absent from the meetings of the Board continuously for a period of six months without special leave of absence from the Board, and the Board pass a resolution that he has by reason of such absence vacated office;
- (E) If by notice in writing to the Company he resigns his office;
- (F) If he becomes bankrupt, or suspends payment, or compounds with his creditors.

102. No Director shall be disqualified by his office from contracting with the Company, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company with any Company or partnership of or in which any Director shall be a member or otherwise interested, be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established. The nature of the interest of the Director in such contract or arrangement or proposed contract or arrangement shall be declared at a meeting of the Board or otherwise given as required by and subject to the provisions of Section 199 of the Act. No Director shall vote in respect of any contract or arrangement or proposed contract or arrangement in which he shall be interested, and if he do so vote, his vote shall not be counted; but this prohibition shall not apply (i) to any arrangement or agreement with any company which is or shall be a subsidiary company of the Company within the meaning of Section 154 of the Act where the sole interest of the Director is that of director, security holder or member of such subsidiary company, or (ii) to any contract or arrangement for giving any Director any indemnity or security in respect of money lent to him or obligations undertaken by him for the benefit of the Company, or (iii) to any contract by the Directors to underwrite any shares or securities of or for the Company, or (iv) to any contract or resolution to allot shares or debentures to a Director, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction by the Company in General Meeting.

103. A Director of the Company may be or become a Director or other officer of any other company, including a company which may be promoted by the Company, or in which the Company may be or become interested as a vendor, shareholder or otherwise. No such Director shall, in the absence of agreement to the contrary, be accountable for any benefit received as a Director, officer or member of such other company.

### 9. Secretary.

104. The first Secretary of the Company shall be Mark Harry Leighton, F.C.A. The Directors shall fix the remuneration of the Secretary, and the terms and conditions of his employment.

105. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.

## V. ACCOUNTS AND DIVIDENDS.

### 1. Accounts.

106. The Board shall cause proper books of account (being such books as are necessary to give a true and fair view of the Company's affairs and to explain its transactions) to be kept with respect to —

- (A) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place; and
- (B) All sales and purchases of goods by the Company; and
- (C) The assets and liabilities of the Company.

107. The books of account shall be kept at the office or (subject to the provisions of Section 147 (3) of the Act) at such other place as the Board think fit, and shall always be open to inspection by any Director.

108. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or by the authority of the Board or of the Company in General Meeting.

109. The Board shall from time to time in accordance with Sections 148, 150 and 157 of the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those Sections.

110. A printed copy of every balance sheet, including every document required by law to be annexed to the balance sheet, which is to be laid before the Company in General Meeting together with a copy of the Auditors' Report shall at least twenty one clear days before the meeting be delivered or sent by post to each Member in the manner in which notices are hereafter directed to be served (whether he is or is not entitled to receive notices of

General Meetings of the Company), every holder of debentures of the Company (whether he is or is not so entitled) and all other persons so entitled, but this Article shall not require a copy of such documents to be sent to any person to whom, by virtue of paragraph (b) of the proviso to sub-section (1) of Section 158 of the Act the Company is not required to send the same.

111. The dates of the commencement and end of the financial year of the Company shall be fixed and may from time to time be varied by the Board.

## **2. Audit.**

112. Auditors shall be appointed and their duties regulated in accordance with Sections 159 to 162 of the Act.

## **3. Reserve Funds and Dividends.**

113. Subject to the provisions of the Act, the dividends, interest and bonuses and any other benefits and advantages in the nature of income receivable in respect of the company's investments and other assets including appreciations of capital assets and realised profits resulting on a sale of capital assets, any commissions, trusteeship, agency, transfer and other fees and current receipts of the Company on revenue account shall, subject to the payment thereof of the expenses of management, interest upon borrowed money and other expenses which in the opinion of the Directors are of a revenue nature, constitute the profits of the Company available for dividend and in ascertaining the profits available for dividend it shall not be necessary to make good any losses or depreciation in value of any capital assets.

114. (Disapplied by Special Resolution dated 27 March 2003)

115. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and

pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

116. The Company in General Meeting may declare a dividend to be paid to the Members according to their rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Board.

117. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares.

118. The Board may, if in their opinion the position of the Company permits, from time to time declare and pay an interim dividend.

119. Any General Meeting declaring a dividend may, if recommended by the Board, direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company, or in any one or more of such ways, and the Board shall give effect to such resolution, and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed or that fraction of less value than one pound may be disregarded, in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to a dividend as may seem expedient to the Board.

120. The Board may deduct from the dividend or interest payable in respect of any shares held by any Member, either alone or jointly with any other Member, all such sums of money as may be due from him, either alone or jointly with any other person, to the Company on account of calls and interest on calls.

121. No dividend shall bear interest as against the Company.

122. Unless otherwise directed any dividend payable in respect of any share and any redemption moneys payable to the holders of redeemable registered preference shares may be paid by cheque or warrant sent through the post to the registered address of the Member entitled or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and shall be sent at the risk of the person entitled to the money represented thereby.



123. Where any asset, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses as the case may be shall, at the discretion of the Board, be credited or debited wholly or in part to revenue account and in that case the amount so credited or debited shall be treated as a profit or loss arising from the business of the Company. If any shares or securities are purchased cum dividend or interest such dividend or interest when paid may at the discretion of the Board, subject to any provisions of the Statutes, be treated as revenue and it shall not be obligatory to capitalise the same or any part thereof.

#### 4. Capitalisation.

124. The Company in General Meeting may pass a resolution to the effect that it is desirable to capitalise the whole or any part of the unappropriated profits of the Company or the whole or any part of the amount standing to the credit of any of the Company's reserve or suspense accounts and distribute the same as a capital bonus amongst such of the Members as would have been entitled to receive the same if distributed by way of dividend or their nominees and in the same proportions, and that the Board be authorised to appropriate and apply such bonus either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or in paying up shares, debentures, or debenture stock of the Company, or in any one or more of such ways for distribution among such Members or their nominees as fully paid. Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this clause, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

125. When such resolution has been passed, the Board may give effect thereto and may allot and issue the unissued shares, debentures or debenture stock resulting from such capitalisation and appropriation credited as fully paid up to the Members entitled or their nominees in satisfaction of the said bonus, and as nearly as may be in such proportion as aforesaid, with full power to make such provisions by the issue of fractional certificates, sale or otherwise as they think expedient for the case of fractions, and prior to such allotment the Board may authorise any person on behalf of the Members entitled or their nominees to enter into any agreement with the Company providing for the allotment to them of such shares, debentures or debenture stock credited as fully paid up, and in satisfaction as aforesaid, and any agreement made under such authority shall be effective.

#### VI. NOTICES.

126. A notice may be given by the Company to any Member either personally or by sending it by post to him to his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notices to him.

127. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected as to a notice of a meeting at the expiration of twenty four hours after the letter containing the same is posted, and as to any other notice at the time at which the letter would be delivered in the ordinary course of post.

128. If a Member has no registered address within the United Kingdom and has not supplied to the Company an address within the United Kingdom for the giving of notice to him, he shall not be entitled to receive any notice, but if the Board shall think fit a notice may be given to him by advertisement in one daily newspaper circulating in London, and, if so given, it shall be deemed to be duly given to him at noon on the day on which the advertisement appears.

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

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

131. Subject to any special terms as to notice of meetings on which any capital of the Company may be issued or may from time to time be held, notice of every General Meeting shall be given in some manner hereinbefore authorised to every Member except those Members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them and to the Auditors for the time being of the Company. No other persons shall be entitled to receive notices of General Meetings.

## VII. WINDING UP AND RECONSTRUCTION.

132. If upon the winding up of the Company the surplus assets shall be more than sufficient to repay the whole of the capital which shall have been paid up, or which in such a case shall be deemed to have been paid up, the excess shall be distributed among the Members in proportion to the capital which shall have been paid or which in such a case shall be deemed to have been paid or which ought to have been paid on the shares held by them respectively at the commencement of the winding up other than amounts paid in advance of calls, and if the surplus assets shall be insufficient to repay the whole of the capital which shall have been paid up or which in such a case shall be deemed to have been paid up on the shares, such surplus assets

shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital which shall have been paid or which in such a case shall be deemed to have been paid or which ought to have been paid on the shares held by them respectively at the commencement of the winding up, other than amounts paid in advance of calls. But this clause shall be without prejudice to the rights of the owners of shares issued or for the time being held upon special conditions.

133. The Liquidator of the Company in any winding up (whether voluntary or by or subject to the supervision of the Court) may, with the sanction of an Extraordinary Resolution, divide among the contributories in specie 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 Liquidator with the like sanction shall think fit. The Board or the Liquidator may, with the consent of a Special Resolution, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid up or the obligations of or other interests in any other company and may, by the contract of sale, agree for the allotment to the Members or contributories direct of the proceeds of sale in proportion to their respective interest in the Company, or with the consent of any Member affected thereby otherwise than in such proportion, and in case the shares of the Company shall be of different classes may arrange for the allotment in respect of preference shares of the Company of obligations of the purchasing company or of the shares of the purchasing company, with any preference or priority over, or with a larger amount paid up than the shares allotted in respect of ordinary shares of the Company; and may further, by the contract, specify a time at the expiration of which shares, obligations or other interests not accepted or required to be sold shall be deemed to have been refused and be at the disposal of the Board or the Liquidator or the purchasing company. All holders of shares shall be bound by any such contract and waive all other rights in relation to such shares, save only, in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under Section 287 of the Act as are incapable of being varied or excluded by these Articles.

#### VIII. INDEMNITY.

134. Every Director, Manager, Auditor, Secretary and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Board out of the funds of the Company to pay, all costs and travelling and other expenses which any such officer or servant may incur or become liable for by reason of any act or thing lawfully and properly done by him in the discharge of his duties and his travelling and other expenses necessarily incurred in connection with the Company's business and any liability incurred by him in defending any proceedings, whether civil or criminal, which shall arise in connection with the Company's business and in which judgment shall be given in his favour or in which he shall be acquitted, and any liability in connection with any application in relation to any of the affairs of the Company under Section 448 of the Act in which relief shall be granted to him by the Court.