



COMPANIES HOUSE

BR2

This form should be completed in black.

Return by an overseas company subject to branch registration of  
an alteration to constitutional documents

(Pursuant to Schedule 21A, paragraph 7(1) of the Companies Act 1985.)

Company number

FC15640

Company name

TESCO CAPITAL LIMITED

Branch number

BR001709

Branch Name

TESCO CAPITAL LIMITED

CONSTITUTIONAL  
DOCUMENTS

\* Delete as applicable

Note:- A company is only  
required to make a return  
in respect of a branch  
where the document  
altered is included amongst  
the material registered in  
respect of that branch.

On 22 05 97 an alteration was made to the  
constitutional document(s) of the company

A copy of the new instrument is attached

~~\* A certified translation is also attached~~



Signed

  
\* Director / Secretary / Permanent representative

Date

11 JULY 1997

When completed, this form should be returned to the address overleaf

To whom should Companies  
House direct any enquiries  
about the information on  
this form

Name S DERRETT

Address TESCO PLC, TESCO HOUSE, DELAMARE RD,  
CHESTNUT, HERTS EN8 9BL

Telephone no. 0992 644835

When completed, this form should be delivered to :-

For branches registered in England and Wales

The Registrar of Companies  
Companies House  
Crown Way  
Cardiff  
CF4 3UZ

For branches registered in Scotland

The Registrar of Companies  
Companies House  
100 - 102 George Street  
Edinburgh  
EH2 3DJ

~~519500~~  
FC015640

**THE COMPANIES (JERSEY) LAWS 1991**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTION**  
**OF**  
**TESCO CAPITAL LIMITED**

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Passed 22 May 1997

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We being the sole shareholder of the Company record a decision that the resolution set out below be passed as a Special Resolution of the Company and, in our capacity as holders of each class of share, agree to each and every variation, alteration or modification of the rights attaching to each such class of share proposed to be effected, or required to be effected by such resolution and declare that the said resolution and any action taken by the Company pursuant to such resolution shall be binding on us:

**SPECIAL RESOLUTION**

**THAT** the Memorandum and Articles of Association of the Company attached to this resolution be adopted as the Memorandum and Articles of Association of the Company in substitution for and to the exclusion of the existing Memorandum and Articles of Association of the Company.



For and on behalf of Tesco Plc

**Companies (Jersey) Law 1991****Memorandum of Association****of****Tesco Capital Limited**

- 1 The name of the Company is Tesco Capital Limited.
- 2 The share capital of the Company is £300,001,000 divided into 1,000 Founders Shares of £1 each 199,988,857 Nominal Shares of 1 pence each, 25,000,000 Preference Shares of 1 pence each and 75,011,143 unclassified shares of 1 pence each.
- 3 The liability of the members is limited.

We hereby certify this  
to be a true copy of  
The original  
Berwin Leighton  
3 June 1997

I certify this to be  
a true copy

Secretary

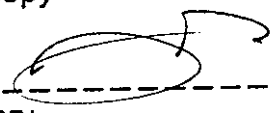
TESCO CAPITAL LIMITED

NEW  
ARTICLES OF ASSOCIATION  
(Adopted on 22 May 1997)

We hereby certify this to be  
a true copy of the original

*Berwin Leighton*  
Berwin Leighton  
Adelaide House  
London Bridge  
London EC4R 9HA

I certify this to be  
a true copy

  
Secretary

**BERWIN LEIGHTON**

Adelaide House London Bridge London EC4R 9HA  
Telephone 0171 623 3144 Fax 0171 623 4416

THE COMPANIES (JERSEY) LAWS 1991COMPANY LIMITED BY SHARESARTICLES OF ASSOCIATION

of

TESCO CAPITAL LIMITEDINTERPRETATION

- 1 In these Articles the following words shall bear the following meanings, if not inconsistent with the subject or context

<u>Words</u>	<u>Meanings</u>
Accounting Date	26th February in each year.
these Articles	These Articles of Association in their present form or as from time to time altered.
associated company	Any corporation which in relation to the person concerned (being a corporation) is a holding company or a subsidiary of any such holding company or a corporation (or a subsidiary of a corporation) at least one-fifth of the issued equity share capital of which is beneficially owned by the person concerned or a subsidiary thereof. Where the person concerned is an individual or firm or other unincorporated body the expression "associate" shall mean and include any corporation directly or indirectly controlled by such person.
auditors	Auditors (if any) of the Company appointed pursuant to these Articles.
bankrupt	Shall have the meaning defined in the Interpretation (Jersey) Law, 1954.

Board	a quorum of the Directors assembled at a duly called and constituted meeting of the Directors or any committee of the Directors which is authorised by the Directors (or such quorum) to act on their behalf.
Borrowed Moneys	Has the meaning given to that term in the Guarantee.
Business Day	A day (other than a Saturday or Sunday) on which commercial banks are generally open for business in London.
clear days	In relation to the period of notice, shall mean that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect.
CT Bank	means a company which is resident in the United Kingdom for the purposes of United Kingdom corporation tax and a bank for the purposes of section 840A of the Taxes Act and is not an associated company in relation to the Notional Holder within the meaning of section 416 of the Taxes Act.
Directors	The directors of the Company for the time being.
Dividend Certificate	A statement in writing containing the information required by section 234 of the Taxes Act.
Early Redemption Event	<p>(i) <b>Failure to Pay a Dividend:</b> the Company does not pay a Dividend which has become due and payable within two Business Days of its due Dividend Payment Date; or</p> <p>(ii) <b>Failure to pay:</b> the Guarantor or the Company does not pay any other amount due under any of the Issue Documents to which it is a party within 10 Business Days of its due date; or</p> <p>(iii) <b>Misrepresentation:</b> any written representation,</p>

- warranty or statement which is made by the Guarantor or the Company in, or in connection with, the Issue Documents to which it is a party is or proves to be incorrect or misleading in any material respect when made or deemed to be made or repeated; or
- (iv) **Other Obligations:** either the Guarantor or the Company fails duly to perform any of its other obligations expressly assumed by it in the Issue Documents to which it is a party and such failure, if capable of remedy, is not remedied within 20 Business Days after notice to the Guarantor or the Company from a Preference Shareholder requesting action to remedy the same; or
- (v) **Repudiation:** either the Guarantor or the Company repudiates in writing any of the Issue Documents to which it is a party in any material respect or does or causes to be done any act or thing evidencing an intention to repudiate any of the Issue Documents to which it is a party or any of the obligations of any of the Guarantor or the Company thereunder are not or cease to be legal, valid and binding in any material respect; or
- (vi) **Validity and Admissibility:** at any time any act, condition or thing required to be done, fulfilled or performed by the Guarantor in order (a) to enable either of the Guarantor or the Company lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it in the Issue Documents to which it is a party or (b) to ensure that the obligations expressed to be assumed by either the Guarantor or the Company in the Issue Documents to which it is a party are legal, valid and binding, is not



- done, fulfilled or performed in any material respect; or
- (vii) **Illegality:** at any time it is or becomes (as a result of any change in law or the interpretation thereof, or in a legal counsel's reasoned opinion) unlawful for any of the Guarantor, the Company or any Preference Shareholder to perform or comply with any or all of its obligations under any of the Issue Documents to which it is a party in any material respect or for any Preference Shareholder from time to time to hold or continue to hold the Preference Shares; or
- (viii) **Adverse Structural Event:** at any time any event has occurred and is continuing whereby the accounting or regulatory treatment of the holding of the Preference Shares for the relevant Preference Shareholders of such Preference Shares is or is reasonably likely to be affected; or
- (ix) **Adverse Tax Event:** at any time any event whereby:
- (1) the Notional Holder would be subject or chargeable to UK corporation tax in respect of a Dividend paid or payable to the Notional Holder or such a Dividend would be taken into account otherwise than as a result only of the Notional Holder making any claim under section 242 or section 243 of the Taxes Act in computing the profits of the Notional Holder chargeable to such tax; or
  - (2) the Notional Holder would not be entitled to a tax credit in respect of a Dividend paid to the Notional Holder equal to at least one quarter of the amount of such Dividend;

- (3) the acquisition or holding (other than by virtue of the particular terms or conditions of such acquisition) by the Notional Holder of its Guaranteed Shares would adversely affect the amount of debits brought into account for the purposes of such tax pursuant to chapter II of the Finance Act 1996 in respect of loan relationships of the Notional Holder; or
- (4) there is a change in any law of the UK (or in any published practice or concession relating to any such law) after the date on which the Guaranteed Shares are issued which would adversely affect the UK tax treatment of the Notional Holder in respect of any amount paid or payable to the Notional Holder pursuant to the Articles; or

(x) **Indebtedness in respect of Borrowed Moneys**

- (1) any indebtedness in respect of Borrowed Moneys of the Company, the Guarantor or any Principal Subsidiary becomes due and payable before its normal maturity date by reason of default of the Company, the Guarantor or the Principal Subsidiary; or
- (2) any indebtedness in respect of Borrowed Moneys of the Company, the Guarantor or any Principal Subsidiary is not paid when due after taking into account any applicable grace periods agreed before such indebtedness fell due; or
- (3) any guarantee or indemnity given by the Company, the Guarantor or any Principal

Subsidiary in respect of any Borrowed Moneys is called and the claim is not paid when due or within any applicable grace period agreed before such claim fell due for payment; or

- (xi) **Appointment of a Receiver:** an encumbrancer takes possession of, or an administrative or other receiver or any manager or similar officer is appointed in respect of, all or any material part, of the assets of the Company, the Guarantor or any Principal Subsidiary; or
- (xii) **Distress:** a distress or any other form of execution is levied or enforced upon or sued out against any material part of the assets of the Company, the Guarantor or any Principal Subsidiary and is not discharged within twenty-one days; or
- (xiii) **Section 123(1) Insolvency Act 1986:** the Company, the Guarantor or any Principal Subsidiary is deemed unable to pay its debts pursuant to section 123(1)(b), (c) or (d) of the Insolvency Act 1986, or the Company, the Guarantor or the Principal Subsidiary becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account for both these purposes its contingent and prospective liabilities), or the Company or the Guarantor or any Principal Subsidiary otherwise becomes insolvent or suspends making payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so; or
- (ix) **Winding-up:** any order is made or any resolution is passed for the winding-up of the Company, the Guarantor or any Principal Subsidiary or the Company

or the Guarantor or any Principal Subsidiary or any other Subsidiary of the Guarantor presents any petition for winding-up of the Company, the Guarantor or such Principal Subsidiary provided that this sub-clause (ix) does not apply to (i) a winding-up of a Principal Subsidiary for the purpose of reconstruction or amalgamation the terms of which have been previously approved in writing by the Preference Shareholders (such approval not to be unreasonably withheld or delayed) or (ii) a voluntary solvent winding-up of a Principal Subsidiary in connection with the transfer of all or any part of the assets of such Principal Subsidiary to the Guarantor or a subsidiary of the Guarantor; or

- (xiv) **Administration Order:** an administration order is made in respect of the Company, the Guarantor or any Principal Subsidiary; or
- (xv) **Composition:** any kind of composition, scheme of arrangement, compromise or other similar arrangement involving the Company, the Guarantor or any Principal Subsidiary and their respective creditors generally (or any class of them) is made; or
- (xvi) **Change of Control:** save in the case of reconstruction, reorganisation or amalgamation effected for bona fide commercial reasons, any person or group of persons associated with such person within the meaning of section 783(10) of the Income and Corporation Taxes Act 1988 who or which does not have control at the date of adoption of these Articles acquires control of the Company or the Guarantor (control for such purpose having the meaning given to that term in section 840 of the Income and Corporation Taxes Act 1988).

Extraordinary Resolution	A resolution of the Company or of the holders of any class of Shares either passed at a meeting by a majority of at least two-thirds of the votes cast and not requiring confirmation at a second meeting or recorded in writing by a majority of at least two thirds of the votes of the relevant class of Shares.
F & E Committee	The Finance and Economics Committee of the State of Jersey.
Founders' Shares	Founders' Shares in the capital of the Company of £1 nominal value each having the rights attaching thereto prescribed in these Articles.
Gazette	The Jersey Gazette or such other publication appointed for the time being by the States of Jersey in which government notices are published by authority.
Guarantor	Tesco PLC (registered in England no. 445790).
Guarantee	the guarantee dated 22 <sup>nd</sup> May 1997 from the Guarantor in favour of the Preference Shareholders
holding company	Shall have the meaning defined in the Law.
issue	includes allot.
Issue Documents	The Guarantee, the Subscription Agreement and these Articles.
the Law	The Companies (Jersey) Law 1991.
Member	A person who is registered as the holder of shares in the Register for the time being kept by the Company.
month	Calendar month.
Nominal Shares	Nominal Shares in the capital of the Company of 1 penny nominal value each having the rights attaching thereto prescribed in these Articles.
notice	A written notice unless otherwise specifically stated.

## Notional Holder

## A CT Bank which:

- (i) acquires Preference Shares (but not the Dividend payable in relation thereto on such date) on a Dividend Payment Date with money borrowed from a bank for the purpose of financing such acquisition (such bank being itself a CT Bank and such financing is in the form of a loan made by that bank in the ordinary course of its business as a bank within the meaning of section 840A of the Taxes Act where the loan is a normal commercial loan (within the meaning of paragraph 1 schedule 18 of the Taxes Act) made on a full recourse basis and interest payable on the loan is payable within 12 months of the date from which it accrues and is payable otherwise than by way of a distribution for corporation tax purposes);
- (ii) other than any such borrowing and the entry by it into any related swap on normal market terms and such acquisition of Preference Shares, does not enter into any other transactions or arrangements in relation to any of the Guaranteed Shares;
- (iii) makes all relevant claims, elections and returns for tax purposes;
- (iv) beneficially owns the Preference Shares acquired by it; and
- (v) has an accounting period ending on 31 December each year.

## Office

The registered office of the Company.

## Paid Up

Shall include credited as paid up.

## Paid-Up Value

The price at which each Share is credited as fully paid up (including any premium) (being the aggregate of the nominal

	value of such Share and the premium in relation thereto).
Preference Shareholder	A holder of a Preference Share.
Preference Shares	Preference Shares in the capital of the Company of 1p nominal value each having the rights attaching thereto prescribed in these Articles.
Principal Subsidiary	Has the meaning given to that term in the Guarantee
present in person	In relation to general meetings of the Company and to meetings of the holders of any class of shares, shall include present by attorney or by proxy or, in the case of a corporate shareholder, by representative.
Register	The register of Members to be kept pursuant to Article 29 hereof.
Relevant Date	In relation to a payment of redemption moneys in respect of a Preference Share, the date on which such payment becomes due.
reserves	Includes unappropriated profits.
rights	Includes rights in whatsoever form constituted.
Seal	The common seal of the Company including any facsimile thereof.
Secretary	Any person appointed by the Directors to perform any of the duties of secretary of the Company (including a temporary or assistant secretary), and in the event of two or more persons being appointed as joint secretaries any one or more of the persons so appointed.
Shares	Shall mean and include the Founders' Shares, the Preference Shares and the Nominal Shares and any other class of shares of the Company which may hereafter be created and issued in accordance with these Articles and the Law.

Special Resolution	A resolution of the Company and passed as a special resolution in accordance with the Law.
Subscription Agreement	The agreement dated <u>22nd</u> May 1997 between (1) the Guarantor (2) the Company and (3) Midland Bank plc whereby Midland Bank agrees to subscribe for the Preference Shares and the Guarantor agrees to issue the Guarantee.
The Stock Exchange	The London Stock Exchange Limited.
subsidiary	In relation to the Company has the meaning attributed to it by the Depositors and Investors (Prevention of Fraud) (General Provisions) (Jersey) Order, 1986 and in relation to the Guarantor has the meaning set out in Section 736 of the Companies Act 1985 of Great Britain.
Taxes Act	The Income and Corporation Taxes Act 1988 of the United Kingdom.
Unclassified Shares	Unclassified Shares in the capital of the Company of 1 penny nominal value each available for issue as provided in Article 6.

2 In these Articles, unless there be something in the subject or context inconsistent with such construction:-

- (a) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
- (b) the word "signed" shall be construed as including a signature or representation of a signature affixed by mechanical or other means;
- (c) the words "in writing" shall be construed as including written, printed, telexed, electronically transmitted or any other mode of representing or reproducing words in a visible form;
- (d) Words importing the plural number shall be deemed to include the singular number and words importing the singular number shall be deemed to include the plural number;



- (e) Words importing the masculine gender shall be deemed to include the feminine gender and words importing the feminine gender shall be deemed to include the masculine gender;
- (f) Words importing persons include companies or associations or bodies of persons whether corporate or unincorporate;
- (g) Words or expressions contained in these Articles shall bear the same means as in the Law and the Interpretation (Jersey) Law 1954;
- (h) References to "sterling", "pounds", "£", "pence", "p" and "penny" are to the currency of the United Kingdom of Great Britain and Northern Ireland; and
- (i) references to enactments are to such enactments as are from time to time modified, re-enacted or consolidated and shall include any enactment made in substitution for an enactment that is repealed.

3 The heading herein are for convenience only and do not affect the construction of these Articles.

#### PRELIMINARY

4 The preliminary expenses incurred in forming the Company shall be the first charge on the funds of the Company.

5 The business of the Company shall be commenced as soon after the incorporation of the Company as the Directors think fit.

#### SHARE CAPITAL AND SHARES

6 The authorised share capital of the Company at the date of adoption of these Articles is £3,001,000 divided into 1,000 Founders' Shares of £1.00 each, 25,000,000 Preference Shares of £0.01 each, 199,988,857 Nominal Shares of £0.01 each and 75,011,143 Unclassified Shares of £0.01 each. The Directors may allot and issue any of the Unclassified Shares as Preference Shares or Nominal Shares. The Founders' Shares, Nominal Shares and Preference Shares have attached the rights hereinafter appearing.

7

(a) The rights attaching to the Founders' Shares are as follows:

(i) As regards Income - each Founders' Share shall confer on the holder thereof the right to receive such dividends as the Members may resolve in accordance with the provisions of Articles 129-138 after the payment to the holders of the Preference Shares of their fixed cumulative dividend (if any) accrued pursuant to Articles 9(a).

(ii) As regards Capital - On a winding-up or other return of capital (other than a redemption of Preference Shares) the holder of each Founders' Share shall be entitled, following payment to the holders of the Preference Shares of all amounts then due under Articles 9(a) and 9(b) and following the repayment of the nominal amount of the capital Paid Up on the Nominal Shares, to repayment of the nominal amount of the capital Paid Up thereon and thereafter the holders of the Founders' Shares shall participate pari passu in proportion to the amounts Paid Up on the Founders' Shares in the surplus assets of the Company.

(iii) As regards Voting - The holder of each Founders' Share shall be entitled to receive notice of general meetings of the Company and to attend and vote thereat. On a show of hands every holder of Founders' Shares who (being an individual) is present in person (or being a corporation) is present by representative or by proxy shall have one vote for each Founders' Share registered in the name of such holder and on a poll every holder of Founders' Shares who (being an individual is present in person or by proxy or (being a corporation) is present by representative or by proxy shall have one million votes in respect of each Founders' Share registered in the name of such holder.

(b) Founders' Shares shall only be issued to or for the benefit of the Guarantor or to or for the benefit of a person previously nominated in writing by the Guarantor.

8

(a) The rights attaching to the Nominal Shares are as follows:-

- (i) As regards Income - The holders of the Nominal Shares shall have no right to participate in the profits of the Company.
- (ii) As regards Capital - On a winding-up or other return of capital (other than a redemption of any Preference Shares) the holder of each Nominal Share shall be entitled to repayment in full of the nominal amount of the capital Paid Up therein following payment to the holders of the Preference Shares of all amounts due to them under Article 9(b). The holders of the Nominal Shares shall have no further right of participation in the assets of the Company.
- (iii) As regards Voting - The holders of the Nominal Shares shall be entitled to receive notice of general meetings of the Company and to attend and vote thereat. On a show of hands every holder of Nominal Shares who (being an individual) is present in person or (being a corporation) is present by representative or by proxy shall have one vote for each Nominal Share registered in the name of such holder and on a poll every holder of Nominal Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by representative or by proxy shall have one vote in respect of each Nominal Share registered in the name of such holder.

(b) Nominal Shares shall only be issued to or for the benefit of the Guarantor or to or for the benefit of a person previously approved in writing by the Guarantor.

9 As used in this Article 9, except to the extent that the context requires otherwise:-

**"Dividend Payment Date"** means:

- (A) 10 February, 10 May, 10 August and 10 November save that if any such day (the "unmodified day") is not a Business Day the "Dividend Payment Date" shall be either:

- (B) the next Business Day to fall after the unmodified day if such Business Day falls in the same calendar month as the unmodified day; or
- (C) in a case not within sub-paragraph (B), the Business Day immediately preceding the unmodified day; and
- the Business Day immediately preceding the unmodified day; and

"Dividend Period" means in respect of a Dividend Payment Date (the "relevant date") the period from (and including) the Dividend Payment Date immediately preceding the relevant date (or, in respect of the first Dividend Payment Date to fall after the Subscription Date, the Subscription Date) to (but excluding) the relevant date;

"Dividend Rate" means a fixed rate of ~~5.83~~ <sup>5.83</sup> per cent per annum on the Paid Up Value of each Preference Share (being ~~5.83~~ per cent per annum on the nominal value of each Preference Share);

"Dividend" means a cumulative preferential dividend payment in sterling on the Preference Shares in respect of the relevant Dividend Period which shall accrue on each Preference Share at the Dividend Rate on a daily basis over the relevant Dividend Period and shall be calculated on the basis of a 365 day year and the actual number of days elapsed in the relevant Dividend Period;

"Premium" means £9.99 per Preference Share; and

"Subscription Date" means the date of subscription for the Preference Shares.

The rights attaching to the Preference Shares are as follows:-

- (i) As regards Income
- (aa) Out of profits available for distribution and resolved to be distributed, the holders of the Preference Shares shall be entitled, in priority to the transfer of any sum to reserves and to any payment of dividend to the holders

of any other class of shares or stock, to be paid the Dividend, in respect of each Dividend Period.

- (bb) On each Dividend Payment Date the directors shall (subject to there being profit available for distribution as permitted by the Law) declare the Dividend in respect of the Dividend Period ended on that date, and upon such declaration the Dividend shall become a debt due from and immediately payable by the Company to the holders of the Preference Shares registered in the Register on the relevant Dividend Payment Date. The balance of any Dividend not paid in full on the relevant Dividend Payment Date shall be carried forward and, subject to the provisions of the Law, shall be payable in priority to any other dividend payable on any later date. ~~Such unpaid amount shall carry interest at the rate per annum equal to the sum of one per cent and Midland Bank plc's base rate in respect of the period from the relevant Dividend Payment Date concerned to the date of actual payment compounded with quarterly rests.~~ Such interest shall be due and payable on demand by the relevant holder(s) of the Preference Shares.

- (cc) Each Preference Share will cease to accrue dividends from and including its due date for redemption save that if payment of the redemption moneys in respect of any Preference Share is improperly withheld or refused upon due presentation of the certificate relating to them or default is otherwise made in respect of payment of the redemption moneys on the relevant date, the Dividend shall continue and shall accordingly continue to accrue in respect of a Dividend Period which shall be deemed to begin on the relevant date and end on the actual date of payment of such redemption monies. The Preference Shares shall not be treated as having been

redeemed until the moneys and all arrears of the Dividend have been paid.

(dd) The holders of the Preference Shares shall have no other rights to income -

(ii) As regards Capital - On a return of assets on winding-up or otherwise (other than on a conversion or purchase of shares), the assets of the Company available for distribution shall be applied first, in paying to the holders of Preference Shares (i) a sum in Sterling equal to any accruals of the Dividend to be calculated up to (and including) the date of the return of capital and (ii) the Paid Up Value of each Preference Share

(iii) As regards Voting - The holders of the Preference Shares shall be entitled to receive notice of general meetings of the Company and to attend thereat. The holders of the Preference Shares shall not be entitled to vote at general meetings of the Company save where:

(aa) if and when, at the date of the notice convening such meeting, the Dividend on such shares has not been paid for two consecutive Dividend Periods; or

(bb) if a resolution is to be proposed abrogating, varying or modifying any of the rights or privileges of the holders of the Preference Shares or for the winding up of the Company (otherwise than on a redemption or purchase of shares), in which case they shall only be entitled to vote on such resolution.

Any holder of Preference Shares who is entitled to attend and vote at a general meeting of the Company shall have the right to demand a poll.

On a show of hands every Preference Shareholder who (being an individual) is present in person or (being a corporation) is present by representative or by proxy shall have one vote for each Preference Share registered in the name of such holder, and on a poll every Preference Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by

representative or by proxy shall have one vote in respect of each Preference Share registered in the name of such holder.

- (iv) As regards Redemption - The Preference Shares shall be redeemed, by the Company upon and subject to the provisions of the Law and any other applicable law in the Island of Jersey and the following terms and conditions :-

(aa) At the option of the Preference Shareholders by service of a written notice upon the Company after the occurrence of an Early Redemption Event which is continuing stating the Preference Shareholders' intention to require redemption of the Preference Shares (in whole but not in part) forthwith (the date of service of such notice being a "Redemption Date").

(bb) At the option of the Preference Shareholders by service of a written notice upon the Company at any time on or after 10 May 2002 but before the tenth anniversary of the Subscription Date (the date of service of such notice being a "Redemption Date").

PROVIDED THAT the provisions of sub-paragraphs (aa) or (bb) shall not apply to a Preference Shareholder who is a holding company of the Company or a Subsidiary of such Company;

(cc) At the option of the Company by service of a written notice upon the Preference Shareholders at any time on or after the tenth anniversary of the Subscription Date (the date of service of such notice being a "Redemption Date").

(dd) At the Redemption Date the holders of the Preference Shares shall be bound to deliver to the Company the certificates for the Preference Shares to be redeemed and the Company shall pay to each such holder (or in the case of joint holders, to any such joint holder) of

Preference Shares the Paid Up Value thereof together with a sum equal to any arrears or accruals of the Preferential Dividend thereon to be calculated down to the date for redemption.

If any holder of the Preference Shares to be redeemed shall fail or refuse to deliver up the certificate or the certificates in respect of the Preference Shares held by such holder at the Redemption Date or shall fail or refuse to accept payment of the redemption moneys payable in respect thereof, the redemption moneys payable to such holder shall be set aside and paid into a separate interest-bearing account with the Company's bankers (designated for the benefit of such holder) and such setting aside shall be deemed for all purposes hereafter to be a payment to such holder and all the said holders rights as a holder of the relevant Preference Shares shall cease to determine as from the date fixed for redemption of such shares and the Company shall thereby be discharged from all obligations in respect thereof. The Company shall not be responsible for the safe custody of the moneys so placed on deposit or for interest thereon except such interest as the said moneys may earn while on deposit less any expenses incurred by the Company in connection therewith or any taxes lawfully withheld therefrom. The receipt of the registered holder for the time being of any Preference Shares or in the case of joint registered holders the receipt of any one of them for the monies payable upon redemption thereof shall constitute an absolute discharge to the Company in respect thereof

(ee) If the Company is at any time unable to redeem, in accordance with the Law, the number of Preference Shares to be redeemed pursuant to these Articles, the



Company shall redeem pro rata to the members' holdings of Preference Shares such whole number of Preference Shares, if any, as it is then able lawfully to redeem in accordance with the Law and shall so redeem the balance due to be redeemed as soon as it is lawfully able.

(ff) On redemption of a Preference Share, the Company will cancel the Preference Share and any certificate relating thereto and such Preference Share may not be reissued or sold.

(v) As regards Transfer - Subject to the provisions of these Articles, any Preference Share shall be transferable without restriction.

(vi) Limitations

No Preference Share shall:-

(aa) confer any right to participate in the profits or assets of the Company other than as set out in Articles 9(i) and 9(ii) above;

(bb) confer any right to participate in any offer or invitation by way of rights or otherwise to subscribe for shares in the Company; or

(cc) confer any right to receive any shares credited as paid up wholly or in part by way of a capitalisation of profits from reserves.

(b) Further issues and variation of rights

(i) Save and with such consent or sanction on the part of the holders of the Preference Shares as is required for a variation of the special rights attached to such shares, the Company shall not create or issue any shares of the same class or any class (or any securities convertible into any shares of any class) ranking as regards participation in the

profits or assets of the Company in some, all or any respects in priority to the Preference Shares.

For the avoidance of doubt the rights attaching to the Preference Shares are not, unless otherwise expressly provided in the rights attaching to those shares, deemed to be varied by the creation allotment or issue of further preference shares pursuant to subparagraph (c) of this Article or by the purchase or redemption by the Company of any of its shares in accordance with the Law or subparagraph 9(a)(iv) above.

(ii) Subject to the provisions of the Law, the special rights attached to the Preference Shares may be varied by the Company either while the Company is a going concern or during or in contemplation of a winding up:-

(aa) in such a manner (if any) as may be provided by those rights; or

(bb) in the absence of any such provision, with the consent in writing of all of the holders of the Preference Shares, or with the sanction of a resolution passed unanimously at a separate meeting of the holders of the Preference Shares, but not otherwise. To every such separate meeting the provisions of these Articles relating to general meetings shall apply, except that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons together holding or representing by proxy at least one third in nominal value of the issued shares of the class in question (except where there is only one holder of the Preference Shares, in which case the quorum shall be one person) and at an adjourned meeting shall be one person holding shares of the class in question or his duly authorised representative or proxy.

(c) Issue of further preference shares

(i) The Company may from time to time create and issue further preference shares ranking as regards participation in the profits and assets of the Company *pari passu* with or behind the Preference

Shares but not the same class as the Preference Shares. These further shares may carry as regards participation in the profits and assets of the Company rights and restrictions differing from those attached to the Preference Shares in the following respects:

- (AA) the amount of dividend payable on the shares;
- (BB) the date from which the shares rank for dividend or the date for payment of dividend (or both),
- (CC) the amount of a premium (if any) on a return of capital, whether on the winding up of the Company or otherwise; and
- (DD) terms of redemption.

- 10 Without prejudice to any special rights for the time being conferred on the holders of any class of shares (which special rights shall not be varied or abrogated except with such consent or sanction as is required by Article 22 hereof and subject to the Law) any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividends, return of capital, voting or otherwise, as the Company may from time to time, by Special Resolution, determine.
- 11 Subject to Articles 17 to 20 hereof, any new shares created on issue or other alteration of share capital and the unissued shares for the time being in the capital of the Company shall be at the disposal of the Directors, and they may (subject to the provisions of Article 22 hereof) 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 a discount. The premium arising on the issue of Preference Shares shall be dealt with in accordance with Article 139.
- 12 The Company may issue fractions of shares in accordance with and subject to the provisions of the Law, provided that:-

1. a fraction of a share shall be taken into account in determining the entitlement of a Member as regards dividends or on a winding up; and
  2. a fraction of a share shall not entitle a Member to a vote in respect thereof.
- 13 The Company may:-
- (a) issue; or
  - (b) convert any existing non-redeemable shares (whether issued or not) into, shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder thereof, on such terms and in such manner as may be determined by Special Resolution.
- 14 The Company may pay commissions as permitted by the Law. Subject to the provisions of the Law, any such commission may be satisfied either by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 15 Save as permitted by the Law, the Company shall not give financial assistance directly or indirectly for the purpose of, or in connection with, the acquisition made or to be made by any person of any shares in the Company or its holding company (if any).
- 16 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or recognise any equitable, contingent, future or partial interest in any share, or (except only as by these Articles otherwise provided or as by law required) any interest in any fraction of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.
- Alteration of Share Capital**
- 17 The Company may, by altering its Memorandum of Association by Special Resolution, alter its share capital in any manner permitted by the Law.
- 18 Any new shares created on an increase or other alteration of share capital shall be issued upon such terms and conditions as the Directors shall direct.

19 Unless otherwise directed by the Company in general meeting all new shares shall be offered to the holders of Founders' Shares in proportion to the shares held by them at the relevant time. Such offers shall be made by notice specifying the number of shares to which such holder of Founders' Shares is entitled and prescribing the period within which the offer will remain open, and upon the expiry of such period the offer, if not accepted, shall be deemed to have been declined. All such shares, if offered to the holders of Founders' Shares and not taken up by them, shall be disposed of by the Directors in such manner as the Directors think most beneficial to the Company.

20 Any capital raised by the creation of new shares shall, unless otherwise provided by the conditions of issue of the new shares, be considered as part of the original capital, and the new shares shall be subject to the provisions of these Articles with reference to the payment of calls, transfer and transmission of shares, lien or otherwise, applicable to the existing shares in the Company.

#### **Reduction of Share Capital**

21 Subject to the provisions of the Law, the Company may, by Special Resolution, reduce its share capital in any way.

#### **Variation of Rights**

22 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class, unless otherwise provided by the terms of issue of the shares of that class, may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of the majority of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of shares of that class, but not otherwise. To every such separate meeting all the provisions of these Articles and of the Law relating to general meetings of the Company or to the proceedings thereat shall apply, *mutatis mutandis*, except that the necessary quorum shall be two persons holding or representing at least one-third in nominal amount of the issued shares of that class but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those holders who are present in person shall be a quorum.

- 23 The special rights conferred upon the holders of any class of shares issued with preferred or other special rights shall be deemed to be varied by the reduction of the capital paid up on such shares and by the creation of further shares ranking in priority thereto, but shall not (unless otherwise expressly provided by these Articles or by the conditions of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking after or pari passu therewith.

#### **Share Certificates**

- 24 Every Member shall be entitled:-
- (a) without payment, to one certificate for all his shares of each class and, when part only of the shares comprised in a certificate is sold or transferred, to a new certificate for the remainder of the shares so comprised; or
  - (b) upon payment of such sum for each certificate as the Directors shall from time to time determine, to several certificates each for one or more of his shares of any class.
- 25 Every certificate shall be issued within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide), shall be under seal, and shall specify the shares to which it relates and the amount paid up thereon and if so required by the Law, the distinguishing numbers of such shares.
- 26 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 such holders.
- 27 If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in relation thereto as the Directors think fit.

#### **Joint Holders of Shares**

28 Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with the benefit of survivorship, subject to the following provisions:-

- (a) the Company shall not be bound to register more than four persons as the joint holders of any share;
- (b) the joint holders of any share shall be liable, severally as well as jointly, in respect of all payments to be made in respect of such share;
- (c) any one of such joint holders may give a good receipt for any dividend, bonus or return of capital payable to such joint holders;
- (d) only the senior of the joint holders of a share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company or to attend general meetings of the Company and any notice given to the senior joint holder shall be deemed notice to all the joint holders; and
- (e) for the purpose of the provisions of this Article, seniority shall be determined by the order in which the names of the joint holders appear in the Register.

#### Register of Members

29 The Directors shall keep or cause to be kept at the Office or at such other place in the Island of Jersey where it is made up, as the Directors may from time to time determine, a Register in the manner required by the Law. In each year the Directors shall prepare or cause to be prepared and filed an annual return containing the particulars required by the Law.

#### Lien

30 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies, whether presently payable or not, called or payable at a fixed time in respect of such shares; and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, whether the same shall have been incurred before or after

notice to the Company of any interest of any person other than such Member and whether the period for the payment or discharge of the same shall have actually commenced 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 or not. The Company's lien (if any) on a share shall extend to all dividends or other monies payable thereon or in respect thereof. The Directors may resolve that any share shall, for such period as they think fit, be exempt from the provisions of this Article.

- 31 The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some monies in respect of which the lien exists are presently payable, and fourteen days have expired after a notice, stating and demanding payment of the monies presently payable and giving notice of intention to sell in default, shall have been served on the holder for the time being of the shares or the person entitled by reason of his death or bankruptcy to the shares.
- 32 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 a person to execute an instrument of transfer of the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

#### **Calls on Shares**

- 33 The Directors may, subject to the provisions of these Articles and to any conditions of allotment, from time to time make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the amount of the shares or by way of premium) *provided that* (except as otherwise fixed by the conditions of application or allotment) no call on any share shall be payable within fourteen days



of the date appointed for payment of the last preceding call, and each Member shall (subject to being given at least fourteen clear days' notice 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.

- 34 A call may be made payable by instalments. A call may be postponed or wholly or in part revoked as the Directors may determine. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- 35 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 may be required to pay interest on the sum from the day appointed for payment thereof to the time of actual payment at a rate determined by the Directors not exceeding the rate of ten per cent per annum.
- 36 Any sum which by or pursuant to the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by or pursuant to the terms of issue, the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 37 The Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.
- 38 The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the money uncalled and unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls. Any 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 advanced. The Company may pay interest 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 it has been received, at such rate as the Directors shall think fit

*provided that* any amount paid up in advance of calls shall not entitle the holder of the shares upon which such amount is paid to participate in respect thereof in any dividend until the same would but for such advance become presently payable.

#### **Forfeiture of Shares**

- 39 If a Member fails to pay any call or instalment of a call on or before the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses which may have been incurred by the Company by reason of such non-payment.
- 40 The notice shall name a further day (not earlier than fourteen days from the date of service thereof) 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 at or before the time and at the place appointed, the shares on which the call was made will be liable to be forfeited.
- 41 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 due in respect thereof have been made, be forfeited by a resolution of the Directors to that effect, and such forfeiture shall include all dividends which shall have been declared on the forfeited shares and not actually paid before the forfeiture.
- 42 When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register opposite to the entry of the share; but no forfeiture shall be invalidated in any manner by any omission or neglect to give such notice or to make such entry as aforesaid.
- 43 A forfeited share may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors think fit, and at

any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited share to any other person as aforesaid.

44 A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with interest thereon at a rate determined by the Directors not exceeding ten per cent per annum from the date of forfeiture until payment and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture.

45 An affidavit by a Director or the Secretary that a share has been duly forfeited on the date stated therein shall be conclusive evidence of the facts so stated as against all persons claiming to be entitled to the share and such affidavit 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 for the share delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be so required) constitute good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in respect of the forfeiture, sale, re-allotment or disposal of the share.

46 The provisions of these Articles 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 amount of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Transfer and Transmission of Shares**

47 All transfers of shares shall be effected by notice (a "Transfer Notice") in the usual common form or in any other form approved by the Directors.

48 All Transfer Notices shall be signed by or on behalf of the transferor and, in the case of a partly paid share, by the transferee. The transferor shall be deemed to

remain the holder of the share until the name of the transferee is entered on the Register in respect thereof.

49 The Directors may decline to register the transfer of a Share which is not fully paid. They may also refuse to recognise any Transfer Notice, unless:-

(a) the Transfer Notice is deposited at the Office or such other place as the Directors may appoint accompanied by the certificate for 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

(b) the Transfer Notice is in respect of only one class of shares; and

(c) the prior written approval of the F&E Committee to such transfer has been obtained.

50 If the Directors refuse to register any transfer of shares they shall, within two months after the date on which the Transfer Notice was lodged with the Company, send to the proposed transferor and transferee notice of the refusal.

51 All Transfer Notices relating to transfers of shares which are registered shall be retained by the Company, but any Transfer Notices relating to transfers of shares which the Directors decline to register shall (except in any case of fraud) be returned to the person depositing the same.

52 The registration of transfers of shares or of any class of shares may be suspended whenever the Directors determine.

53 Unless otherwise decided by the Directors in their sole discretion, no fee shall be charged 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.

54 In respect of any allotment of any share the Directors shall have the same right to decline to approve the registration of any renouncee of any allottee as if the application to allot and the renunciation were a transfer of a share under these Articles.

- 55 In the case of the death of a 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 interest in the shares, but nothing in this Article shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.
- 56 Any guardian of an infant Member and any curator or guardian or other legal representative of a Member under legal disability and any person becoming entitled to a share in consequence of the death or insolvency or bankruptcy of a Member may, upon such evidence as to his title being produced as may from time to time be required by the Directors and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the holder thereof.
- 57 If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a Transfer Notice signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by signing a Transfer Notice in favour of that person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such Transfer Notice as aforesaid as would have existed had such transfer occurred before the death, insolvency or bankruptcy of the Member concerned.
- 58 A person becoming entitled to a share by reason of the death or insolvency or bankruptcy of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company *provided always that* the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within one month such person shall be deemed to have so elected to be registered himself and all the restrictions on the transfer and transmission of shares contained in these Articles shall apply to such election.

**General Meetings**

- 59 Unless all of the Members agree in writing to dispense with the holding of annual general meetings and any such agreement remains valid in accordance with the Law, the provisions of Article 60 hereof shall apply with regard to annual general meetings of the Company.
- 60 An annual general meeting shall be held once in every calendar year, either in or outside the Island, at such time and place as may be determined by the Directors; but so long as the Company holds its first annual general meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year. All other general meetings shall be called extraordinary general meetings.
- 61 The Directors may whenever they think fit, and upon a requisition made in writing by Members in accordance with the Law the Directors shall, convene an extraordinary general meeting of the Company.
- 62 At any extraordinary general meeting called pursuant to a requisition, unless such meeting is called by the Directors, no business other than that stated in the requisition as the objects of the meeting shall be transacted.

**Class Meetings**

- 63 Save as is provided in this Article and otherwise in these Articles, all the provisions of these Articles and of the Law relating to general meetings of the Company and to the proceedings thereat shall apply, *mutatis mutandis*, to every class meeting. At any class meeting the holders of shares of the relevant class shall, on a poll, have one vote in respect of each share of that class held by each of them.

**Notice of General Meetings**

- 64 At least twenty-one clear days' notice shall be given of every annual general meeting and of every general meeting called for the passing of a Special Resolution, and at least fourteen clear days' notice shall be given of all other general meetings. Every notice shall specify the place, the day and the time of the meeting and in the case of special business, the general nature of such business and, in the case of an annual general meeting, shall specify the meeting as such. Notice

of every meeting shall be given in the manner hereinafter mentioned to all the Members and to the Directors and to the auditors.

65 A meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in Article 64 hereof, be deemed to have been duly called if it is so agreed:-

(a) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of Members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

66 In every notice calling a meeting 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.

67 It shall be the duty of the Company, subject to the provisions of the Law, on the calling of a meeting on the requisition in writing of such number of Members as is specified by the Law:-

(a) to give to the Members entitled to receive notice of general meetings and to the Directors notice of any resolution which may properly be moved and which it is intended to move at that meeting; and

(b) to circulate to Members entitled to have notice of any general meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

68 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### Proceedings at General Meetings

- 69 The business of an annual general meeting shall be to receive and consider the accounts of the Company and the reports of the Directors and auditors, to elect Directors (if necessary), to elect auditors and fix their remuneration, to sanction a dividend if thought fit so to do, and to transact any other business of which notice has been given.
- 70 No business shall be transacted at any general meeting except the adjournment of the meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Such quorum shall consist of not less than two Members present in person, but so that not less than two individuals will constitute the quorum, *provided that*, if at any time all of the issued shares in the Company are held by or by a nominee for a holding company, such quorum shall consist of the Member present in person.
- 71 If within half an hour from the time appointed for the meeting a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened by or upon the requisition of Members, shall be dissolved. If otherwise convened the meeting shall stand adjourned to the same day in the next week at the same time and place or such day, time and place as the Directors shall determine.
- 72 The chairman (if any) of the Directors shall preside as chairman at every general meeting of the Company. If there is no such chairman, or if at any meeting he is not present the Members present in person shall choose one of the Directors present to be chairman, or if no Director shall be present and willing to take the chair the Members present in person shall choose one of their number to be chairman.
- 73 The chairman 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 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 as in the case of the original meeting. Save as aforesaid, it shall not be necessary to give any notice of any adjourned meeting or of the business to be transacted at an adjourned meeting.



- 74 Except where otherwise provided in the Law or in these Articles, all resolutions shall be adopted if approved by a majority of the votes cast. In the event of an equality of votes at any general meeting, whether upon a show of hands or on a poll, the chairman shall not be entitled to a second or casting vote.
- 75 At any general meeting every question shall be decided in the first instance by a show of hands and, unless a poll is demanded by the chairman or by any Member, a declaration by the chairman that a resolution has on a show of hands been carried or not carried, or carried or not carried by a particular majority or lost, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 76 If a poll is demanded in the manner mentioned above, it shall be taken at such time (within twenty-one days) and in such manner as the chairman directs and the results of such poll shall be deemed to be the resolution of the Company in general meeting. A poll may be demanded upon the election of the chairman and upon a question of adjournment and such poll shall be taken forthwith without adjournment. Any business other than that upon which a poll has been demanded may proceed pending the taking of the poll.
- 77 Minutes of all resolutions and proceedings of general meetings shall be duly and regularly entered in books kept for that purpose and shall be available for inspection by a Member during business hours without charge. A Member may require a copy of any such minutes in such manner, and upon payment of such sum, as provided in the Law.
- 78 If a Member is by any means in communication with one or more other Members so that each Member participating in the communication can hear what is said by any other of them, each Member so participating in the communication is deemed to be present in person at a meeting with the other Members so participating, notwithstanding that all the Members so participating are not present together in the same place. A meeting at which any or all of the Members participate as aforesaid shall be deemed to be a general meeting of the Company for the purposes of these Articles notwithstanding any other provisions of these Articles and all of the provisions of these Articles and of the Law relating to general meetings of the

Company and to the proceedings thereat shall apply, mutatis mutandis, to every such meeting.

79 A resolution in writing (including a Special Resolution but excluding a resolution removing an auditor) signed by all Members who would be entitled to receive notice of and to attend and vote at a general meeting at which such a resolution would be proposed, or by their duly appointed attorneys, shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the Members or their attorneys and signature in the case of a corporate body which is a Member shall be sufficient if made by a director or other duly authorised officer thereof or its duly appointed attorney.

80 (1) On a show of hands every Member present in person shall have one vote.

(2) Subject to any special voting powers or restrictions for the time being attached to any shares, as may be specified in the terms of issue thereof or these Articles, on a poll every Member present in person shall have one vote for each share held by him.

81 Where there are joint registered holders of any share, such persons shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name appears first in order in the Register in respect of such share shall be the only person entitled to vote in respect thereof.

82 A Member for whom a special or general attorney is appointed or who is suffering from some other legal incapacity or interdiction in respect of whom an order has been made by any court having jurisdiction (whether in the Island of Jersey or elsewhere) in matters concerning legal incapacity or interdiction may vote, whether on a show of hands or on a poll, by his attorney, curator, or other person authorised in that behalf appointed by that court, and any such attorney, curator or other person may vote by proxy. Evidence to the satisfaction of the Directors of the

authority of such attorney, curator or other person may be required by the Directors prior to any vote being exercised by such attorney, curator or other person.

83 The Directors and the auditors shall be entitled to receive notice of and to attend and speak at any meeting of Members. Save as aforesaid and as provided in Article hereof, no person shall be entitled to be present or take part in any proceedings or vote either personally or by proxy at any general meeting unless he has been registered as owner of the shares in respect of which he claims to vote.

84 (1) 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.

(2) Where a person is authorised under Article 92 hereof to represent a body corporate at a general meeting of the Company the Directors or the chairman of the meeting may require him to produce a certified copy of the resolution from which he derives his authority.

85 On a poll a Member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

86 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a Member.

87 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 within such time (not exceeding forty-eight hours) before the time for holding the meeting or adjourned meeting or for the taking of a poll at which the person named in the instrument proposes to vote as the Directors may from time to time determine.

88 The instrument appointing a proxy may be in any common form or in any other form approved by the Directors including the following form:-

I/We \_\_\_\_\_ of \_\_\_\_\_

being a Member/Members of the above named 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 \_\_\_\_\_ and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ "

89 Unless the contrary is stated thereon the instrument appointing a proxy shall be as valid as well for any adjournment of the meeting as for the meeting to which it relates.

90 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 provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting or the taking of the poll at which the proxy is used.

91 The Directors may at the expense of the Company send by post or otherwise to the Members instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares of the Company either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person or one or more of a number of persons specified in the invitations are issued at the Company's expense they shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy.

**Corporate Members**

- 92 Any body corporate which is a Member 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 Members (or of any class of Members) and the person so authorised shall be entitled to exercise on behalf of the body corporate which he represents the same powers as that body corporate could exercise if it were an individual.

#### **Directors**

- 93 The Company in general meeting may determine the maximum and minimum number of Directors and unless and until otherwise so determined the minimum number of Directors shall be two. The Company shall keep or cause to be kept at the Office a register of its Directors in the manner required by the Law.
- 94 A Director need not be a Member but shall nevertheless be entitled to receive notice of and to attend and speak at any general meeting or at any separate meeting of the holders of any class of shares in the Company.
- 95 The Directors shall be paid out of the funds of the Company their travelling and other expenses properly and necessarily expended by them in attending meetings of the Directors or Members or otherwise on the affairs of the Company. They shall also be paid by way of remuneration for their services such sum as shall be fixed by the Company in general meeting, which shall be divided between them as they shall agree or, failing agreement, equally and shall be deemed to accrue from day to day. If any Director shall be appointed agent or to perform extra services or to make any special exertions or to go or reside abroad for any of the purposes of the Company, the Directors may remunerate such Director therefor either by a fixed sum or by commission or participation in profits or otherwise or partly one way and partly in another as they think fit, and such remuneration may be either in addition to or in substitution for his remuneration hereinbefore provided.

#### **Alternate Directors**

- 96 Any Director may at his sole discretion and at any time and from time to time appoint any person (other than a person disqualified by law from being a director of a company) as an alternate Director to attend and vote in his place at any meetings of Directors at which he is not personally present. Each Director shall be at liberty to appoint under this Article more than one alternate Director *provided that* only

one such alternate Director may at any one time act on behalf of the Director by whom he has been appointed. Every such appointment shall be effective and the following provisions shall apply in connection therewith:-

- (i) every alternate Director while he holds office as such shall be entitled to notice of meetings of Directors and to attend and to exercise all the rights and privileges of his appointor at all such meetings at which his appointor is not personally present;
- (ii) every alternate Director shall *ipso facto* vacate office if and when his appointment expires or the Director who appointed him ceases to be a Director of the Company or removes the alternate Director from office by notice under his hand served upon the Company;
- (iii) every alternate Director shall be entitled to be paid all travelling, hotel and other expenses reasonably incurred by him in attending meetings. The remuneration (if any) of an alternate Director shall be payable out of the remuneration payable to the Director appointing him as may be agreed between them;
- (iv) a Director may act as alternate Director for another Director and shall be entitled to vote for such other Director as well as on his own account, but no Director shall at any meeting be entitled to act as alternate Director for more than one other Director; and
- (v) a Director who is also appointed an alternate Director shall be considered as two Directors for the purpose of making a quorum of Directors when such quorum shall exceed two.

97 The instrument appointing an alternate Director may be in any form approved by the Directors including the following form:-

" []

I,

a Director of the above named Company, in pursuance of the power in that behalf contained in the Articles of Association of the Company, do hereby nominate and appoint

of

to act as alternate Director in my place at the meeting of the Directors to be held on the            day of            and at any adjournment thereof which I am unable to attend and to exercise all my duties as a Director of the Company at such meeting.

Signed this            day of            "

- 98 Save as otherwise provided in Article 96(ii) hereof, any appointment or removal of an alternate Director shall be by notice signed by the Director making or revoking the appointment and shall take effect when lodged at the Office or otherwise notified to the Company in such manner as is approved by the Directors.

#### **Executive Directors**

- 99 The Directors may from time to time appoint one or more of their number to be the holder of any executive office on such terms and for such periods as they may determine. The appointment of any Director to any executive office shall be subject to termination if he ceases to be a Director, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- 100 The Directors may entrust to and confer upon a Director holding any executive office any of the powers exercisable by the Directors, upon such terms and conditions and with such restrictions as they 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.

#### **Appointment of Directors**

- 101 The first Directors of the Company shall be appointed in writing by the Subscribers to the Memorandum of Association or by the majority of them; they shall hold office until they resign or are disqualified in accordance with Article 105 hereof.

- 102 Subject to the provisions of Article 93 hereof, 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 addition to the existing Directors. Any Director so appointed shall hold office until he resigns or is disqualified in accordance with Article 105 hereof.
- 103 At any general meeting at which a Director retires or is removed from office the Company shall elect a Director to fill the vacancy, unless the Company determines to reduce the number of Directors in office. If the Company in general meeting determines to increase the number of Directors in office the Company shall elect additional Directors.
- 104 Seven clear days' notice shall be given to the Company of the intention of any Member to propose any person for election to the office of Director *provided always that*, if the Members present at a general meeting unanimously consent, the chairman of such meeting may waive the said notice and submit to the meeting the name of any person duly qualified and willing to act.

#### **Resignation, Disqualification and Removal of Directors**

- 105 The office of a Director shall be vacated if: -
- (i) he resigns his office by notice to the Company; or
  - (ii) he ceases to be a Director by virtue of any provision of the Law or he becomes prohibited or disqualified by law from being a Director; or
  - (iii) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (iv) he is removed from office by resolution of the Members; or
  - (v) he is removed from office by written memorandum signed by the holders of 75 per cent of the Founders Shares.

#### **Powers of Directors**

- 106 The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by the Law or these Articles required to



be exercised by the Company in general meeting, and the power and authority to represent the Company in all transactions relating to real and personal property and all other legal or judicial transactions, acts and matters and before all courts of law shall be vested in the Directors. The Directors' powers shall be subject to any regulations of these Articles, to the provisions of the Law and to such regulations, being not inconsistent with the aforesaid regulations or 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 Directors which would have been valid if such regulations had not been made.

- 107 The Directors may, by power of attorney, mandate or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

#### **Transactions with Directors**

- 108 A Director, including an alternate Director, may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director and may act in a professional capacity to the Company on such terms as to tenure of office, remuneration and otherwise as the Directors may determine.

- 109 Subject to the provisions of the Law, and provided that he has disclosed to the Directors the nature and extent of any of his material interests, a Director notwithstanding his office:-

- (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (ii) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (iii) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or

from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

110 For the purposes of Article 109:-

- (i) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of that Director.

#### Proceedings of Directors

111 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A Director who is also an alternate Director shall be entitled, in the absence of the Director whom he is representing, to a separate vote on behalf of such Director in addition to his own vote. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Directors by giving to each Director and alternate Director not less than twenty-four hours' notice of the meeting *provided that* any meeting may be convened at shorter notice and in such manner as each Director or his alternate Director shall approve *provided further that* unless otherwise resolved by the Directors notices of Directors' meetings need not be in writing.

112 A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. 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 two. For

- the purposes of this Article and subject to the provisions of Article 96(v) hereof an alternate Director shall be counted in a quorum, but so that not less than two individuals will constitute the quorum.
- 113 A Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he is appointed to hold any office or place of profit under the Company, or at which the terms of his appointment are arranged, but he may not vote on his own appointment or the terms thereof.
- 114 A Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which any contract or arrangement in which he is interested is considered and, subject to the provisions of Articles 109 and 110 hereof, he may vote in respect of any such contract or arrangement.
- 115 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting of the Company. If there are no Directors or no Director is able or willing to act, then any Member or the Secretary may summon a general meeting for the purpose of appointing Directors.
- 116 The Directors may from time to time elect from their number, and remove, a chairman and/or deputy chairman and/or vice-chairman and determine the period for which they are to hold office. The chairman, or in his absence the deputy chairman, or in his absence, the vice-chairman, shall preside at all meetings of the Directors, but if no such chairman, deputy chairman or vice-chairman be elected, or if at any meeting the chairman, the deputy chairman and vice-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 the chairman of the meeting.
- 117 The Directors may delegate any of their powers to committees consisting of such Directors or Director or such other persons 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 it by the Directors. The meetings and proceedings of any

such committee consisting of two or more persons shall be governed by the provisions of these Articles 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 this Article.

118 If a Director is by any means in communication with one or more other Directors so that each Director participating in the communication can hear what is said by any other of them, each Director so participating in the communication is deemed to be present at a meeting with the other Directors so participating, notwithstanding that all the Directors so participating are not present together in the same place.

119 A resolution in writing of which notice has been given to all of the Directors or to all of the members of a committee appointed pursuant to Article 116 hereof (as the case may be), if signed by a majority of the Directors or of the members of such committee (as the case may be), shall be valid and effectual as if it had been passed at a meeting of the Directors or of the relevant committee duly convened and held and may consist of two or more documents in like form each signed by one or more of the Directors or members of the relevant committee.

120 All acts done *bona fide* by any meeting of Directors or of a committee appointed by the Directors or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or committee or person acting as 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 or a member of a committee appointed by the Directors and had been entitled to vote.

#### **Minute Book**

121 The Directors shall cause all resolutions in writing passed in accordance with Articles 79 and 119 hereof and minutes of proceedings at all general meetings of the Company or of the holders of any class of the Company's shares and of the Directors and of committees appointed by the Directors to be entered in books kept for the purpose. Any minutes of a meeting, if purporting to be signed by the

chairman of the meeting or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.

#### Secretary

- 122 The Secretary shall be appointed by the Directors and any secretary so appointed may be removed by the Directors. Anything required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by or to any assistant or deputy secretary or if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors *provided that* any provisions of 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. The Company shall keep or cause to be kept at the Office a register of particulars with regard to its Secretary in the manner required by the Law.

#### Seals

- 123 The Company shall have a common seal and may in accordance with the Law have an official seal for use outside of the Island and an official seal for sealing securities issued by the Company or for sealing documents creating or evidencing securities so issued.
- 124 The Directors shall provide for the safe custody of all seals and no seal shall be used except by the authority of a resolution of the Directors or of a committee of the Directors authorised in that behalf by the Directors.
- 125 The Directors may from time to time make such regulations as they think fit determining the persons and the number of such persons who shall sign every instrument to which a seal is affixed and until otherwise so determined every such instrument shall be signed by one Director and shall be countersigned by the Secretary or by a second Director. The Company may, in writing under its common seal, authorise an agent appointed for the purpose to affix any official seal to a document to which the Company is a party.

#### Authentication of Documents

- 126 Any Director or the Secretary 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 of Association and these Articles) 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 books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

### **Dividends**

- 127 Subject to the provisions of the Law, the Company may by resolution declare dividends in accordance with the respective rights of the Members, but no dividend shall exceed the amount recommended by the Directors.
- 128 Subject to any particular rights or limitations as to dividend for the time being attached to any shares, as may be specified in these Articles or upon which such shares may be issued, all dividends shall be declared, apportioned and paid *pro-rata* according to the amounts paid up on the shares (otherwise than in advance of calls) during any portion or portions of the period in respect of which the dividend is paid.
- 129 Subject to the provisions of the Law, the Directors may, if they think fit, from time to time pay to the Members (other than Preference Shareholders) such interim dividends as appear to the Directors to be justified. If at any time the share capital of the Company is divided into different classes, the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights, as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend. The Directors may also pay half-yearly, or at other suitable intervals to be settled by them, any dividend which may be payable at a fixed rate if they are of the opinion that the profits of the Company justify the payment. Provided the Directors act *bona fide* they shall not incur any personal liability to the holders of shares conferring a preference for any damage that they may suffer by reason of the

payment of an interim dividend on any shares having deferred or non-preferred rights.

- 130 The Directors may carry forward to the accounts of the succeeding year or years any balance of profit which they do not think fit either to divide or to place to reserve.
- 131 The Directors may deduct from any dividend or other monies 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 in relation to the shares of the Company.
- 132 All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. No dividend shall bear interest as against the Company.
- 133 Any dividend which has remained unclaimed for a period of ten years from the date of declaration thereof shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company and shall thenceforth belong to the Company absolutely.
- 134 Any dividend or other monies payable 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 by such other method as the Directors may resolve, and in the case of joint holders to any one of such joint holders, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct, and payment of the cheque or warrant 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.
- 135 A general meeting declaring a dividend may, upon the recommendation of the Directors, direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company, and the Directors 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 certificates representing part of a shareholding or fractions of shares, and may 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 Members, and may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Directors, and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or certificates representing part of a shareholding or fractions of shares, or any part thereof, and otherwise as they think fit.

136 Any resolution declaring a dividend on the shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, or any resolution of the Directors for the payment of a fixed dividend on a date prescribed for the payment thereof, may specify that the same shall be payable to the persons registered as the holders of shares of the class concerned at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed (or, as the case may be, that prescribed for payment of a fixed dividend), and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any shares of the relevant class.

137 All payments in respect of the Preference Shares will be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Island of Jersey or the United Kingdom or any authority of or in the Island of Jersey or the United Kingdom having power to tax unless the Company is required by law to deduct or withhold amounts for, or on account of, such taxes, duties, assessments or governmental charges.

#### Reserve Fund

138 Before the declaration of a dividend the Directors may set aside any part of the net profits of the Company to create a reserve fund, and may apply the same either by employing it in the business of the Company or by investing it in such a manner (not being the purchase of or by way of loan upon the shares of the Company) as



they think fit. Such reserve fund may be applied for the purpose of maintaining the property of the Company, replacing wasting assets, meeting contingencies, forming an insurance fund, or equalising dividends or special dividends, or for any other purpose for which the net profits of the Company may lawfully be used, and until the same shall be applied it shall remain undivided profits.

#### **Share Premium Account**

- 139 There shall be transferred to a share premium account, as required by the Law, the amount or value of any premium paid up on shares issued by the Company and the sums for the time being standing to the credit of the share premium account shall be applied only in accordance with the Law.

#### **Capitalisation**

- 140 The Company may, upon the recommendation of the Directors, resolve that it is desirable to capitalise any undistributed profits of the Company (including profits carried and standing to any reserve or reserves) not required for paying the fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits, or any sum carried to reserve as a result of the sale or revaluation of the assets of the Company (other than goodwill) or any part thereof or, subject as hereinafter provided, any sum standing to the credit of the Company's share premium account or capital redemption reserve fund and accordingly that the Directors be authorised and directed to appropriate the profits or sum resolved to be capitalised to the Members in the proportion in which such profits or sum would have been divisible amongst them had the same been applicable and had been applied in paying dividends, and to apply such profits or sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such Members respectively, or in paying up in full either at par or at such premium as the said resolution may provide, any unissued shares or debentures of the Company, such shares or debentures to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid, or partly in one way and partly in the other *provided that* so long as any of the Preference Shares remain unissued, the Company may only apply that part of the share premium account arising on the issue of Preference Shares providing for the premium payable on the redemption of Preference Shares.

- 141 Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the profits or sum resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of certificates representing part of a shareholding or fractions of shares or by payments in cash or otherwise as they think fit in the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Members entitled to the benefit of such appropriations and applications into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, and any agreement made under such authority shall be effective and binding on all such Members.

#### **Accounts and Audit**

- 142 The Company shall keep accounting records and the Directors shall prepare accounts of the Company, made up to such date in each year as the Directors shall from time to time determine, in accordance with and subject to the provisions of the Law.
- 143 No Member shall have any right to inspect any accounting records or other book or document of the Company except as conferred by the Law or authorised by the Directors or by resolution of the Company.
- 144 The Directors, or the Company by resolution in general meeting, may from time to time appoint auditors for any period or periods to examine the accounts of the Company and to report thereon in accordance with the Law.

#### **Notices**

- 145 Any notice to be given to or by any person pursuant to these Articles shall be in writing, save as provided in Article 113 hereof. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.

- 146 Any notice may be posted to or left at the registered address of any person, and any notice so posted shall be deemed to be served one clear day after the day it was posted.
- 147 Any Member present in person at any meeting of the Company shall, for all purposes, be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.
- 148 Any notice or document served on a Member shall, notwithstanding that such Member be then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served on such Member as sole or joint holder, unless his name shall at the time of the service of the notice or document have been removed from the Register, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the shares of such Member.
- 149 Notwithstanding any of the provisions of these Articles, any notice to be given by the Company to a Director or to a Member may be given in any manner agreed in advance by any such Director or Member.

#### **Winding Up**

- 150 Subject to any particular rights or limitations for the time being attached to any shares, as may be specified in these Articles or upon which such shares may be issued, if the Company is wound up, the assets available for distribution among the Members shall be applied first in repaying to the Members the amount paid up on their shares respectively, and if such assets shall be more than sufficient to repay to the Members the whole amount paid up on their shares, the balance shall be distributed among the Members in proportion to the amount which at the time of the commencement of the winding up had been actually paid up on their said shares respectively.
- 151 If the Company is wound up, the Company may, with the sanction of a Special Resolution and any other sanction required by the Law, divide the whole or any part of the assets of the Company among the Members in specie and the liquidator or, where there is no liquidator, the Directors, may, for that purpose, value any

assets and determine how the division shall be carried out as between the Members or different classes of Members, and with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Members as he with the like sanction determines, but no Member shall be compelled to accept any assets upon which there is a liability.

#### **Indemnity**

- 152 In so far as the Law allows, every present or former officer of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him by reason of being or having been such an officer.

#### **Non-Application of Standard Table**

- 153 The regulations constituting the Standard Table in the Companies (Standard Table) (Jersey) Order 1992 shall not apply to the Company.