

Articles of Association
OF
CENTRAL FINANCE COMPANY PLC
COMPANY LIMITED BY SHARES
PRELIMINARY

1. Neither the regulations contained in Table C in the Schedule to the Joint Stock Companies Ordinance, 1861, nor the regulations contained in Table A in the First Schedule to the Companies Ordinance Chapter 145 of the Legislative Enactments of Sri Lanka (Revised 1956) shall apply to the Company.

2. None of the funds of the Company shall be employed directly or indirectly in the purchase of, or lent on the security of shares of the Company; and the Company shall not, except as authorized by section 46 of the Ordinance, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company.

Company not to purchase its own shares.

INTERPRETATION

3. In the interpretation of these presents the following words and expressions shall have the following meanings unless such meanings be inconsistent with or repugnant to the subject or context:-

Interpretation

"The Company" means "CENTRAL FINANCE COMPANY PLC".

"The Ordinance" means and includes the Companies Ordinance Chapter 145 of the Legislative Enactments of Sri Lanka (Revised 1956) and every other Act, Ordinance or other legal enactment from time to time in force concerning Joint Stock Companies which may apply to the Company.

"Special Resolution" and "Extraordinary Resolution" have the meanings assigned thereto respectively by the Ordinance.

"These presents" means and includes the memorandum of association and the articles of association of the Company from time to time in force.

"Capital" means the capital for the time being raised or authorized to be raised for the purposes of the Company.

"Shares" means the shares from time to time into which the capital of the Company may be divided.

With regard to a member "presence or present" at a meeting means presence or present personally or by proxy or by attorney duly authorized.

"Register" means the register of members to be kept pursuant to the Ordinance.

"Directors" means the directors for the time being of the Company or (as the case may be) the directors assembled at a board.

"Board" means a meeting of the directors or (as the context may require) the directors assembled at a board meeting acting through at least a quorum of their body in the exercise of authority duly given to them.

"Dividend" includes bonus.

"Office" means the registered office for the time being of the Company.

"Seal" means the common seal for the time being of the Company.

"Month" means a calendar month.

"In writing" and "written" include printing, lithography and other modes of representing or reproducing words in a visible form.

Words importing the singular number only include the plural number and *vice versa*.

Words importing the masculine gender only include the feminine gender and *vice versa*.

Words importing persons shall include corporations.

4. Subject to the preceding article any words defined in the Ordinance shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

BUSINESS

Business to be carried on by directors

5. The business of the Company shall be carried on by, or under the management or direction of, the directors and subject only to the control of general meetings, in accordance with these presents.

Board may undertake, or suffer to be in abeyance, any branch of business.

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

CAPITAL

Nominal capital.

Amended at the EGM held on 21/10/94

7. The Share Capital of the Company is RUPEES ONE Billion (Rs. 1,000,000,000/-) divided into ONE HUNDRED MILLION (100,000,000) shares of RUPEES TEN (Rs. 10/-) each.

SHARES

Issue and allotment.

8. The shares, except where otherwise provided, shall be allotted at the discretion of and by the directors, who may from time to time issue any unissued shares, and may add to such shares such an amount of premium as they may consider proper; provided that such unissued shares shall be first offered by the directors to the members for the time being of the Company in accordance with their rights and subject, in the case of preference shares or shares of any particular class, to any limitations as to participating in any issue of shares which may attach to such preference shares or shares of such particular class as nearly as possible in proportion to the shares already held by them, and such shares as shall not be accepted by the members to whom the shares shall have been offered within the time specified in that behalf by the directors, may be disposed of by the directors in such manner as they think most beneficial to the Company; provided also that the directors may, at their discretion, allot any unissued shares in payment for any estates, lands, business or other property purchased or acquired by the Company or as remuneration for work done for or services rendered to the Company, without first offering such shares to the members for the time being of the Company and may make arrangements, on an issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.

9. .As regards allotments from time to time made, the directors shall duly comply

Return of allotments.

with section 43 of the Ordinance.

10. With the sanction of a general meeting, any share in the Company may be issued with any preferential, deferred, or other special rights, or restrictions, attached thereto whether in regard to dividend, voting, return of share capital or otherwise.

Shares may be issued with different rights.

10A. The rights and entitlements attached to quoted shares shall not be varied without the consent of at least three fourths of the holders of such shares.

Amended at the AGM held on 09/10/02.

11. The Company shall have power to issue preference shares which are, or at the option of the Company are to be liable, to be redeemed, and the directors may, subject to the provisions of section 47 of the Ordinance, exercise such power on such terms and in such manner as may be provided by the articles.

Redeemable Preference shares.

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

Issue of further shares of the same class, not a variation of rights.

13. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company, but so that if the commission in respect of shares shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with, and the amount or rate of commission shall not exceed 10 per centum of the price at which the shares are issued or 15 per centum of the nominal value of the debentures or debenture-stock in each case subscribed or to be subscribed. The commission may be paid or satisfied in cash or in shares, debentures or debenture-stock of the Company. In case any commission shall be paid the Company shall comply with the requirements of section 44 of the Ordinance.

Commissions for placing shares.

14. The Company may pay a reasonable sum for brokerage and may make any allotment on the terms that the person to whom such allotment is made shall have the right to call for further shares at such time or times and at such price or prices (not being less than par) as may be thought fit.

Brokerage.

15. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

Payment of amount of shares by installments.

Acceptance.

16. Every person taking any share in the Company shall testify his acceptance thereof by writing under his hand in such form as the directors from time to time direct.

Payment.

17. Payment for shares shall be made in such manner as the directors shall from time to time determine and direct.

Joint shareholding
Amended at the AGM held on 20/08/10.

18. The Company shall not register more than three persons as joint holders (including the principal holder) of any shares (except in the case of executors, administrators or heirs of a deceased member)

One of joint-holders may give receipts.

19. Any one of the joint-holders of a share may give effectual receipts for any dividend payable in respect of such share; but only one of such joint-holders shall be entitled to the right of voting and of appointing proxies and exercising the other rights and powers conferred on a sole holder, and if the joint-holders cannot arrange amongst themselves as to who shall vote or appoint proxies and exercise such other rights and powers conferred on a sole holder, the member whose name stands first on the register of shares in respect of such joint-holding shall vote or appoint proxies and exercise those rights and powers; Provided, however, that in the event of such first registered member being absent from the Island, the first registered member in respect of such joint-holding then resident in Sri Lanka shall vote or appoint proxies and exercise all such rights and powers as aforesaid.

Only one of joint-holders resident in Sri Lanka is entitled to vote.

Liability of joint-holders.

20. The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.

Trusts not recognized.

21. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

SHARE CERTIFICATE

Certificates to be under seal.

22. The certificates of title to shares shall be issued under the Seal.

Members' right to Certificate.

23. Every member shall be entitled to one certificate for all the shares registered in his name, and, if he sells part of his holding, to one certificate for the balance. Or he may, if the directors so approve, and upon paying such fee (if any) as the directors may from time to time determine, have several certificates, each for one or more of such shares. The Company shall complete such certificates within two months after allotment, or within two months after the date on which a transfer has been lodged with the Company, in compliance with the Ordinance.. Every certificate shall specify the distinctive number of the share in respect of which it is issued and the amount paid thereon. Provided that, in the case of shares registered in the names of two or more persons, the Company shall not be bound to issue more than one certificate to all the joint-holders and delivery of such certificate to any one of them shall be sufficient delivery to all.

Issue of new certificate, in place of one defaced, lost or destroyed.

24. If any certificate be worn out or defaced, then, upon production thereof to the directors, they may order the same to be cancelled, and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the directors, and on such indemnity as the directors deem adequate being given, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate.

Fee for new certificate.

25. For every certificate issued under the last preceding article there shall be paid to the Company the sum of Rs. 2/-, or such smaller sum as the directors may determine together with the amount of any costs and expenses which the Company has incurred in connection with the matter.

To which of joint-holders certificate to be delivered.

26. The certificate of shares registered in the names of two or more persons shall be delivered to the person first named on the register.

CALLS

Calls.

27. The directors may, from time to time, subject to the terms on which any shares may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (whether on account of the nominal amount of the share or by way of premium), and not, by the conditions of allotment, made payable at fixed times; and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the directors. A call may be made payable by installments.

When call deemed to have been made.

28. A call shall be deemed to have been made at the time when the resolution authorizing the call was passed at a meeting of the directors or was signed in terms of article 137.

29. No call shall exceed one-fourth of the nominal amount of a share, or be made payable within two months after the last preceding call was payable. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid. Provided that before the time for payment of such call the directors may, by notice in writing to the members, revoke the same or extend the time for payment thereof.

Notice of call.

30. If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof; the holder for the time being of the share in respect of which the call shall have been made or the installment shall have been due, shall pay interest for the same at the rate of 5 per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the directors may, when they think fit, remit, altogether or in part, any sum becoming payable for interest under this article.

When interest on call or installment payable.

31. The directors shall have power, in their absolute discretion, to give time to any one or more member or members exclusive of the others, for payment of any call or part thereof on such terms as the directors may determine, but no member shall be entitled to any such extension, except as a matter of grace or favor.

Power of directors to give time for payment of call.

32. If by terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the nominal amount of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the directors and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

Amount payable at fixed times or by installments payable as calls.

EVIDENCE

33. On the trial or hearing of any action or suit brought or instituted by the Company against any member or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares it shall be sufficient to prove that the name of the defendant is or was when the claim arose on the register as a holder of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company; and it shall not be necessary to prove the registration of the Company nor the appointment of the directors who made any call nor that a quorum of directors was present at the board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof aforesaid shall be conclusive evidence of the debt.

Evidence in action by Company against member.

34. The board may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon the shares held by him beyond the sums actually called up thereon, and upon the moneys so paid in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 5 per centum per annum as the member paying such sum in advance and the board shall agree upon, but any amount so for the time being paid in advance of calls shall not be included or taken into account in ascertaining the amount of the dividend payable upon the share in respect of which such advance has been made. The directors may at any time repay the amount so advanced, upon giving to such member three months' notice in writing.

Payment of calls in advance.

FORFEITURE AND LIEN

35. If any member fails to pay any call or installment on or before the day appointed for the payment of the same the directors may at any time thereafter, during such time as the call or installment remains unpaid, serve a notice on such member or the person entitled by transmission, as the case may be, requiring him to pay the same, together with any interest that may have accrued at the rate of 5 per centum per annum, and all expenses that may have been incurred by the Company by reason of such non-payment.

If call or installment not paid notice may be given.

36. The notice shall name a day (not being less than one month from the date of the notice) on and a place or places at which such call or installment and such interest and expenses as aforesaid are to be paid; the notice shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

Form of notice.

37. If the requisitions of such notice as aforesaid be not complied with, every or any share or shares in respect of which such notice has been given may, at any time there-after, before payment of calls or installments with interest and expenses due in respect thereof, be declared forfeited by a resolution of the board to that effect. Such forfeiture shall include all unpaid dividends, interim dividends and interest, due and to become due thereon, and any moneys paid up in advance of calls.

If notice not complied with shares may be forfeited

Notice after forfeiture.

38. When any share has been forfeited in accordance with these presents, 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 the share; but the provisions of this article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Arrears to be paid notwithstanding forfeiture.

39. Any member whose shares have been so declared forfeited shall notwithstanding be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of forfeiture, together with interest thereon at 5 per centum per annum from the time of forfeiture until payment and the directors may enforce the payment thereof if they think fit.

Forfeited share to become property of the Company.

40. Every share so declared forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, upon such terms and in such manner as the board shall think fit.

Effect of forfeiture.

41. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share and the proceeds thereof and all other rights incident to the share, except only such of those rights (if any) as by these presents are expressly saved.

Power to annul forfeiture.

42. The directors may, in their discretion, remit or annul the forfeiture of any share within six months from the date thereof upon the payment of all moneys due to the Company from the late holder or holders of such share or shares and all expenses incurred in relation to such forfeiture, together with such further sum of money by way of redemption

money for the deficit as they shall think fit, not being less than 5 per centum per annum on the amount of the sums wherein default in payment had been made but no share *bona fide* sold or re-allotted or otherwise disposed of under article 40 hereof shall be redeemable after sale or disposal.

Company's lien on shares.

43. The Company shall have a first charge or paramount lien upon all the shares not being fully paid shares registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements, solely or jointly with any other person to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created, except upon the footing and condition that article 21 hereof is to have full effect and such lien shall extend to all dividends from time to time declared in respect of such shares and to all moneys paid in advance of calls thereon. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien (if any) on such shares.

Enforcing lien by sale.

44. For the purpose of enforcing such lien, the board may sell the shares subject thereto in such manner as they think fit but no sale shall be made until such time as the moneys are presently payable and notice in writing, stating the amount due and giving notice of intention to sell in default, shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made for twenty-eight clear days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of the debts, liabilities and engagements aforesaid and the residue (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares or who would be so entitled but for such sale. Should the member over whose share the lien exists be abroad, sixty day's notice shall be allowed him.

Application of proceeds of sale.

Certificate of directors as to power of sale.

45. A certificate in writing under the hands of two of the directors that the power of sale given by article 44 has arisen and is exercisable by the Company under these presents shall be conclusive evidence of the facts therein stated.

Validity of sales under articles 40 and 44.

46. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Where certificates of shares sold in exercise of lien or on forfeiture

47. Where the certificate of any shares transferred in pursuance of article 46 has not been delivered up to the Company by the former holder of the said shares, the directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

TRANSFER OF SHARES

Members' right to transfer.

48. Subject to the restriction in these articles any member may transfer all or any of his shares by instrument in writing in any common form.

49. No transfer of shares shall be made to a minor or person of unsound mind.

No transfer to minor or person of unsound mind.

50. The Company shall keep a book or books to be called "The Register of Transfers" in which shall be entered the particulars of every transfer or transmission of any share.

Register of transfers.

51. No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. The instrument of transfer of any shares shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect thereof.

Instrument of transfer.

52. The board may decline to register any transfer of shares upon which the Company has a lien; and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve. Notice of refusal to register shall, within two months after the date on which the transfer was lodged with the Company be sent to the transferee. In no case shall a member or proposed transferee be entitled to require the directors to state the reason for their refusal to register but their refusal shall be absolute.

Power of board to decline to register transfers. Notice of refusal to register. Not bound to state reason.

52A. Notwithstanding any provision in these presents suggesting the contrary, shares quoted on the Colombo Stock Exchange shall be freely transferable and registration of the transfer of such quoted shares shall not be subject to any restriction, save and except to the extent required for compliance with statutory requirements.

Amended at the AGM held on 09/10/02

- 52B. Notwithstanding anything to the contrary contained in the Articles of Association of the Company, so long as the Company is listed on the Colombo Stock Exchange, the Company shall comply with the Rules of the Colombo Stock Exchange and the Central Depository System, which shall be in force time to time. Amended at the AGM held on 20/08/10
53. Every instrument of transfer shall be left at the office for registration, accompanied by such evidence as the directors may reasonably require to prove the title of the transferor, or his right to transfer the shares, and a fee of Rs. 2.50 or such other sum as the directors shall from time to time determine must be paid: and thereupon the directors, subject to the powers vested in them by articles 52 and 54 shall register the transferee as a member and retain the instrument of transfer. Registration of transfer.
54. The directors may by such means as they shall deem expedient authorize the registration of transferees as members without the necessity of any meeting of the directors for that purpose. Directors may authorize registration of transferees.
55. In no case shall the directors be bound to inquire into the validity, legal effect or genuineness of any instrument of transfer produced by a person claiming a transfer of any share in accordance with these articles; and whether they abstain from so inquiring or do so inquire and are misled the transferor shall have no claim whatsoever upon the Company in respect of the share except for the dividends previously declared in respect thereof but if at all upon the transferee only. Directors not bound to inquire as to validity of transfer.
56. After notice by advertisement in the Sri Lanka Government Gazette and in a leading daily newspaper circulating in Colombo, the transfer books and registers of members and debenture holders may be closed during such time as the directors may decide not exceeding in the whole thirty days in any one year. Closing of registers.
- 56A. Notwithstanding anything to the contrary in these articles, as long as the shares of the Company are quoted in a Licensed Stock Exchange the Board may register without assuring any liability, therefore, any transfer of shares which is in accordance with the rules and registrations in for the time being and from time to time as laid down by such licensed stock exchange and any agency whose primary object is to act as Central Depository for such exchange.

TRANSMISSION OF SHARES

57. 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 holder, shall be the only persons recognized by the Company as having any title to the shares registered in the name of such deceased member; but nothing herein contained shall release the estate of a deceased joint-holder from any liability in respect of any share jointly held by him. Title to shares of deceased holder.
58. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member or in any other way than by transfer shall, upon producing such evidence that he sustains the character in respect of which he proposes to act under this article or of his title as may from time to time be required by the directors, and with the consent of the directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares on payment of a fee of Rs. 2.50; or, may subject to the regulations as to transfers hereinbefore contained, transfer the same to some other person. Registration of persons entitled to shares otherwise than by transfer.
59. The directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. Directors' right to refuse registration.
60. If any person who shall become entitled to be registered in respect of any share under article 58 shall not, from any cause whatever, within twelve calendar months after the event on the happening of which his title shall accrue, be registered in respect of such share or if, in the case of the death of any member, no person shall, within twelve calendar months after such death, be registered as a member in respect of the shares of such deceased member, the Company may sell the same, either by public auction or private contract, and give a receipt for the purchase money. Upon any such sale, the directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to inquire whether the events have happened which entitled the Company to sell the same; the net proceeds of such sale, after deducting all expenses and all moneys in respect of which the Company is entitled to a lien on the shares so sold, shall be paid to the person entitled thereto. If no person registered in respect of shares of deceased, Company may sell such shares.
61. A person becoming entitled to a share by reason of the death 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. Person entitled to share by transmission not entitled to right of membership in relation to meetings.

INCREASE OF CAPITAL

Increase of capital.

62. The Company in general meeting may from time to time increase the capital by creation of new shares of such amount per share and in the aggregate and with such special, preferential, deferred, qualified or other rights, privileges or conditions attached thereto as such meeting shall direct.

On what conditions new shares may be issued.

63. Subject to any special rights or privileges for the time being attached to any issued shares, the new shares shall be issued upon such terms and conditions and with such preferential, deferred, qualified, special, or other rights, privileges or conditions attached thereto as the resolution creating the same or in default the board shall direct; and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting. The directors shall have power to add to such new shares such an amount of premium as they may consider proper.

How far new shares rank with shares in original capital.

64. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the issue and allotment of shares, the payment of calls and installments, transfer, transmission, forfeiture, lien, surrender and otherwise.

REDUCTION OF CAPITAL AND SUB-DIVISION OF CONSOLIDATION OF SHARES

Reduction of capital.
Sub-division or consolidation of shares.
Cancellation of unissued shares.

65. The Company may (subject to the provisions of sections 56 to 61 of the Ordinance), from time to time, by special resolution, reduce its capital and any capital redemption reserve fund in such manner as such special resolution shall direct. The Company may, by ordinary resolution, sub-divide or consolidate its shares or any of them, or cancel shares which at the date of the resolution in that behalf, have not been taken up or agreed to be taken up by any person, and the directors may, subject to the provisions of the Ordinance, accept surrenders of shares.

Sub-division into preferred and ordinary.

66. The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the others or other, subject nevertheless to the provisions of section 51 of the Ordinance.

MODIFICATION OF RIGHTS

67. If, at any time, by the issue of preference shares or otherwise, the capital is divided into shares of different classes:-

- (1) the holders of any class of shares by an extraordinary resolution passed Modification of at a meeting of such holders, may consent, on behalf of all the holders of rights by shares of the class, to the issue or creation of any shares having any priority thereto, or to the abandonment of any preference or priority, or of any accrued dividend, or the reduction, for any time or permanently, of the dividends payable thereon or to any scheme for the reduction of the Company's capital affecting the class of shares;
- (2) all or any of the rights, privileges and conditions attached to each class may, subject to the provisions of section 62 of the Ordinance, be commuted, abrogated, abandoned, added to or otherwise modified by an extraordinary resolution of the Company in general meeting, provided the holders of any class of shares affected by any such commutation, abrogation, abandonment, addition or other modification of such rights, privileges and conditions consent thereto on behalf of all the holders of shares of the class by an extraordinary resolution passed at a meeting of such holders.

Any extraordinary resolution passed under the provisions of this article shall be binding upon all the holders of shares of the class, provided that this article shall not be read as implying the necessity for such consent as aforesaid in any case in which, but for this article, the object of the resolution could have been effected without it.

68. Any meeting for the purpose of the last preceding article shall be convened and conducted, in all respects as nearly as possible, in the same way as an extraordinary

Meeting for modification of rights.

general meeting of the Company; provided that no member, not being a director, shall be entitled to notice thereof or to attend thereat, unless he be a holder of shares of the class intended to be affected by the resolution and that no vote shall be given, except in respect of a share of that class, and that, at any such meeting, the necessary quorum shall be two persons at least holding or representing by proxy or by attorney duly appointed one third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll.

BORROWING POWERS

69. The Directors may exercise all the powers of the Company to borrow money and may mortgage or charge its undertaking, property and uncalled capital and issue debentures, debenture stocks and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party provided that at the date upon which any money is borrowed the amount outstanding of the monies borrowed exclusive of any amounts received by the Company to be held on unsecured fixed deposit but including all sums (other than such fixed deposits) then being borrowed shall not without the previous sanction of an Extraordinary Resolution of the Company exceed ten times the aggregate of:-

Power to borrow.

- (a). the paid up capital of the Company for the time being;
- (b). the amount standing to the credit of the share premium account in the books of the Company for the time being;
- (c). the amount standing to the credit of the capital reserve *in* the books of the Company for the time being;
- (d). the amount standing to the credit of the general reserve in the books of the Company for the time being;

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

(b). Any bonds, debentures, debenture-stock, or other securities issued or to be issued by the Company shall be under the control of the directors, who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Directors may issue bonds, etc.

(c). Debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Securities may be assignable free from equities.

(d). Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium, or otherwise and with any special privileges as to redemption, surrender, drawings, allotments of shares, attending and voting at general meetings of the Company, appointment of directors and otherwise.

Issue at discount, etc. or with special privileges.

70. The directors shall cause a proper register to be kept in accordance with section 87 of the Ordinance of all mortgages and charges specifically affecting the property of the Company; and shall duly comply with the requirements of sections 78 and 80 of the Ordinance in regard to the registration of mortgages and charges therein specified and otherwise, and shall also duly comply with the requirements of section 86 of the Ordinance as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

Register of mortgages to be kept.

71. The sum of fifty cents shall be the sum payable for each inspection of the register of mortgages and charges under section 88 of the Ordinance.

Fee for inspection of register of charges.

MEETINGS

72. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and place as may be prescribed by the Company in general meeting and if no time or place is prescribed, at such time and place as may be determined by the directors. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Annual general meetings.

Business which may be transacted at annual general meeting without special notice.	73. Every annual general meeting shall be competent, without special notice having been given of the purposes for which it is convened, or of the business to be transacted thereat, to receive and discuss any report and any accounts presented thereto by the directors, and to pass resolutions in approval or disapproval thereof, and to sanction or declare dividends, and to elect directors retiring in rotation and auditors and to fix the remuneration of the directors and the auditors; and shall also be competent to enter upon, discuss and transact any business whatever of which special mention shall have been made in the notice or notices upon which the meeting was convened.	
Other business to be specifically mentioned in notice.	74. With the exceptions mentioned in the foregoing article as to the business which may be transacted at annual general meetings without special notice, no general meeting (annual or extraordinary) shall be competent to enter upon, discuss or transact any business which has not been specially mentioned in the notice or notices upon which it was convened.	
Extraordinary general meetings.	75. The directors may, whenever they think fit, convene an extraordinary general meeting, and they shall, on the requisition of members of the Company representing not less than one-tenth of such of the paid up capital of the Company as at the date of the requisition carries the right of voting at general meetings, forthwith proceed to convene an extraordinary general meeting of the Company, and in the case of such requisition the following provisions shall have effect:-	
Requisitions	<p>(1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the office, and may consist of several documents in like form, each signed by one or more of the requisitionists.</p> <p>(2) If the directors do not, within twenty-one days from the date of the requisition being so deposited, proceed to convene a meeting, the requisitionists or any of them, representing more than one half of the voting rights of all of them, may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of such deposit.</p> <p>(3) In the case of a meeting at which a resolution is to be proposed as an extraordinary resolution or as a special resolution, the directors shall be deemed not to have duly convened the meeting, if they do not give such notice as is required by section 115 of the Ordinance.</p> <p>(4). Any meeting convened under this article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the directors.</p> <p>(5). A requisition by joint-holders of shares must be signed by all such holders.</p>	
	76. Any general meeting (whether annual or extraordinary) convened by the directors, unless the time thereof shall have been fixed by the Company in general meeting or unless such general meeting be convened in pursuance of such requisition as is in article 75 hereof mentioned, may be postponed by the directors by notice in writing and the meeting shall, subject to any further postponement or adjournment, be held at the postponed date for the purpose of transacting the business covered by the original notice.	Postponement.
	77. Not less than seven days notice to the members specifying the place, day and hour of meeting shall be given either by advertisement or by notice sent by post or otherwise served as hereinafter provided and with the consent in writing of all the members entitled to attend and vote at any such meeting, a meeting may be convened by a shorter notice and in any manner they think fit. Provided always that not less than twenty-one days' notice shall be given of a meeting to pass a special resolution specifying the intention to propose the resolution as a special resolution but if all the members entitled to attend and vote at any such meeting so agree, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one days' notice has been given.	
Preference shareholders not entitled to attend or vote not entitled to notice.	78. Holders of preference shares or shares of any particular class shall not be entitled to receive notice of any meeting at which by the conditions or provisions attached to such preference shares or shares of such particular class they shall not be entitled to attend or vote.	
As to omission to give notice.	79. The accidental omission to give notice of any meeting to or the non-receipt of notice by any member shall not invalidate the proceedings at any such meeting.	
Quorum to be present.	80. No business shall be transacted at a general meeting, except the declaration of a dividend recommended by a report of the directors or the election of a chairman, unless there shall be present in person, at the commencement of the business, three or more persons, being members entitled to vote or persons being proxies or attorneys of such	

members entitled to vote or representatives of corporations entitled to vote duly authorised under section 114 of the Ordinance.

If quorum not present, meeting to be dissolved or adjourned.

81. If, at the expiration of half an hour from the time appointed for the meeting, the required number of persons shall not be present at the meeting, the meeting, if convened *by or* upon the requisition of members, shall be dissolved but, in any other case, it shall stand adjourned to the same day in the next week at the same time and place; and no notice of such adjournment need be given. If at such adjourned meeting a quorum be not present, the meeting shall be dissolved.

Chairman of general meeting.

82. The Chairman, or in his absence the Deputy-Chairman of the Board, shall preside as chairman at every general meeting. If there be no such Chairman or Deputy-Chairman, or if at any meeting he be not present within five minutes after the time appointed for holding the meeting, or be unwilling to act, the directors present shall choose one of their number to be chairman of the meeting or, if no director be present, or if all directors present decline to take the chair, the members present shall elect one of their number present to be chairman of the meeting.

Business confined to election of chairman while chair vacant.

83. No business shall be discussed at any general meeting, except the election of a chairman, whilst the chair is vacant.

Chairman with consent may adjourn meeting.

84. The chairman, with the consent of the meeting, may adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give notice of any adjourned meeting.

VOTING AT MEETINGS

How questions to be decided.

85. Every question submitted to a meeting shall, in the first instance, be decided by a show of hands and in the case of an equality of votes, the chairman shall, both on a show of hands and on a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member; and unless a poll be immediately (before or on the declaration of the result of the show of hands) demanded in writing by the chairman or a member present at the meeting and entitled to vote or his proxy or attorney, a declaration by the chairman that a resolution has been carried, or carried by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favor of or against such resolution.

Poll.

86. If a poll be duly demanded the same shall be taken in such manner and at such time or place as the chairman of the meeting shall direct and either at once, or after an interval or adjournment, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In case of any dispute as to the admission or rejection of a vote, the chairman shall determine the same and such determination made in good faith shall be final and conclusive.

87. No poll shall be demanded on the election of a chairman of the meeting or on any question of adjournment. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. The demand for a poll may be withdrawn.

No poll on election of chairman or question of adjournment

88. Votes may be given either personally or by proxy or by attorney duly authorized, or in the case of a company by a representative duly authorized under section 114 of the Ordinance.

Proxies permitted.

89. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person or who is represented by an attorney or a proxy, not being himself a member or not being a member entitled to vote, shall have one vote only. In case of a poll, every member present in person or by proxy or attorney shall (except as provided in article 92 hereof) have one vote for every share held by him.

Number of votes to which shareholders entitled.

90. A person may be appointed a proxy though he is not a member of the Company and the attorney of a member, even though not himself a member of the Company may represent and vote for his principal at any meeting of the Company.

Proxy or attorney need not be a member.

91. A corporation which is a member may be present by a proxy or by a representative duly authorized under section 114 of the Ordinance in which case such proxy or representative may vote on a show of hands or at a poll as if he were a member of the Company.

Corporation may appoint a duly authorized representative.

92. No person shall exercise any rights of a member in relation to meetings of the Company until his name shall have been entered in the register and he shall have paid all calls and other moneys for the time being payable on every share in the Company held by him.

Restrictions on voting.

93. Every instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or if such appointor is a corporation under the common seal or under the hand of some attorney of such corporation duly authorized in writing in that behalf.

Instrument appointing proxy to be in writing.

94. The instrument appointing a proxy shall be lodged and the power of attorney (if any) under which it is signed, or a notarially certified copy of such power, shall, if it has not already been registered with the Company, be delivered at the office for inspection, in each case not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote; otherwise the instrument of proxy shall not be treated as valid.

When proxy to be deposited.

95. The power of attorney under which a person proposes to vote or a notarially certified copy of such power shall, if it has not already been registered with the Company, be delivered at the office for inspection at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such power of attorney proposes to vote; otherwise the person so named shall not be entitled to vote in respect thereof.

When power of attorney to be deposited.

96. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the office or by the chairman of the meeting before the vote is given.

When vote by proxy to be valid through authority revoked.

97. Every instrument of proxy whether for a specific meeting or otherwise shall as nearly as circumstances will admit be in the form or to the effect following:-

Form of instrument appointing proxy.

CENTRAL FINANCE COMPANY LIMITED

Iof being a member of CENTRAL FINANCE COMPANY LIMITED, hereby appoint of..... or failing him of or failing him as my proxy to vote for me and on my behalf at the (annual or extraordinary, as the case may be) general meeting of the Company to be held on theday of and at any adjournment thereof, and at every poll which may be taken in consequence thereof.

As witness my hand thisday of One thousand nine hundred and

Objection to vote to be made at meeting at which vote is given .

98. No objection shall be made to the validity of any vote (whether given personally or by proxy or by attorney) except at the meeting or poll at which such vote shall be tendered and every vote (whether given personally or by proxy or by attorney) to which no objection shall be made at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Members may vote notwithstanding personal interest.

99. No member shall be prevented from voting by reason of his being personally interested in the result of the voting.

Instrument of proxy deemed to authorize demand of a poll.

100. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, but no proxy may speak at any meeting.

DIRECTORS

Number of directors.

101. Unless otherwise determined at a General Meeting, the number of directors shall not be less than three nor more than ten.

Qualification of directors.

102. The directors shall not be required to hold a share qualification unless otherwise determined at a general meeting.

103. The remuneration of the directors (excluding any remuneration payable under any other provision of these presents) shall be such sum as the Board shall determine, and such remuneration shall be divided among the directors in such manner as they shall from time to

time determine. The Company may by ordinary resolution also vote extra remuneration to the directors or to any director and either for one year or longer or shorter period. - The directors shall also be entitled to be repaid all travelling and hotel expenses properly incurred by them in or with a view to the performance of their duties including attendance at board meetings. Nothing in this article contained shall prevent the payment to a director of any further remuneration for services performed by him by virtue of any other office or position held by him under the Company in conjunction with his directorship.

Remuneration for extra services.

104. If any director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from Colombo for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of directors, the Company may remunerate the director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by the directors, and such remuneration may be either in addition to or in substitution for his or their share in the remuneration above provided for the directors.

To retire annually Amended at the EGM held on 31/12/85

105. At each Annual General Meeting one-third of the directors, (other than a Managing Director and any Executive Director) or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office. A director retiring at a meeting shall retain office until the termination of the meeting, including any adjournment thereof.

Retiring directors how determined. Amended at the EGM held on 31/12/85

106. The directors to retire in every year shall be those who have been longest in office since their last election, but, as between persons who became directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The provisions in this article shall neither apply to a Managing Director nor to an Executive Director.

Retiring directors eligible for re-election.

107. A retiring director shall be eligible for re-election.

108. The Company at the meeting at which a director retires in manner aforesaid may fill up the vacated office by electing a person thereto. If at any such meeting the place of a retiring director is not filled up, the retiring director shall, if willing to act, be deemed to have been re-elected, unless at such meeting it is resolved not to fill up such vacated office, or unless a motion for the re-election of such director shall have been put to the meeting and lost.

Filling vacated office.

109. No person, not being a director retiring at the meeting or a person recommended by the board, shall be eligible for election as a director at any general meeting unless not less than fourteen days nor more than three months before the day appointed for the meeting there has been given to the Company notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected.

Notice of intention to appoint director.

110. The Company may by special resolution, from time to time, increase or reduce the number of directors and may also determine in what rotation such increased or reduced number shall go out of office.

Number of directors how increased and reduced.

111. The directors shall have power at any time and from time to time to appoint any person other than a person who has been removed from the office of a director under article 117 as a director, either to fill a casual vacancy or as an addition to the board, but so that the total number of directors shall not at any time exceed the maximum number authorized. Any director so appointed shall hold office until the next following annual general meeting of the Company, and shall then be eligible for election at such meeting.

Directors to fill casual vacancies or as additions to the board.

112. A director may at any time give notice in writing of his intention to resign by delivering such notice to the secretary or by depositing the same at the office or by tendering his written resignation at a meeting of the directors.

Resignation of director.

113. The continuing directors may act notwithstanding any vacancy in their body; but so that if the number of directors in Sri Lanka falls below the minimum above fixed, the remaining directors or director shall not act, except for the purpose of appointing a director or directors to fill one or more of the vacancies. Any director so appointed shall hold office until the next annual general meeting and shall then be eligible for re-election.

Continuing directors to act notwithstanding vacancies.

114. (a) A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the directors in accordance with section 147 of the Ordinance.

Directors interested in contract not to vote thereon.

(b). A director shall not vote in respect of any such contract as is referred to in sub-clause (a) above or in respect of any arrangement in which he is either directly or indirectly interested, and if he shall do so his vote shall not be counted, nor shall he be counted in the quorum present at the meeting; but either or both of these prohibitions may at any time be relaxed or suspended to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the

Company in general meeting.

(c). The provisions of sub-clause (b) shall not apply to:-

Cases in which sub-clause (b) shall not apply.

- i. Any arrangement for giving any director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- ii. Any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
- iii. Any contract by a director to subscribe for or underwrite shares or debentures of the Company; or
- iv. Any contract or arrangement with any other company in which he is interested only as an officer of the Company or as holder of shares or other securities.

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

Directors may hold other office under the Company and may contract with the Company.

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

Director may not vote on contract of his appointment.

(f) No director of the Company shall be at liberty to obtain loans from the Company or to request security from the Company for any loans obtained by him or to offer security or stand as surety for any loan granted by the Company to any person.

115. Any director may act by himself, or his firm, in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorize a director or his firm to act as auditor to the Company.

Remuneration for professional services rendered by a director.

116. The office of director shall *ipso facto* be vacated:-

- a. If he resign his office.
- b. If he become bankrupt or insolvent, or suspend payment, or file a petition for the liquidation of his affairs, or compound with his creditors.
- c. If by reason of mental or bodily infirmity he become incapable of acting.
- d. If he cease to be a director by virtue of section 139 of the Ordinance.
- e. If he become prohibited from being a director by reason of any order made under sections 141A, 1531, 208 or 263 of the Ordinance.
- f. If he absents himself from the meetings of the directors for a continuous period of six months without special leave of absence from the directors and they resolve that his office be vacated.
- g. If he be requested in writing by all his co-directors to resign.

Provided that, until an entry of his office having been so vacated be made in the minutes of the board, his acts as a director shall be as effectual as if his office were not vacated.

117. The Company in general meeting may by ordinary resolution remove any director before the expiration of his period of office. Such power of removal may be exercised notwithstanding anything in these articles or in any agreement between the Company and such director but without prejudice to any claim such director may have for damages for breach of contract of service between him and the Company. The Company may by ordinary resolution appoint another person in the place of the dismissed director. The director so appointed shall hold office only during such time as the director in whose place he is appointed would have held the same if he had not been removed.

How directors removed and successors appointed.

118. The Company shall keep at the office a register of its directors comprising the particulars required by section 142 of the Ordinance and the Company shall otherwise

Register of directors.

comply with the provisions of that section as regards furnishing returns to the Registrar and giving inspection of the register.

ALTERNATE DIRECTORS

119. (i) Any director may at any time by notice in writing left at the office appoint any person approved by the directors to be an Alternate Director of the Company to act in his place and the following provisions of this article shall apply to any person so appointed.

Appointment.

(ii) A person appointed to be an Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company nor be required to hold any share qualification but the directors may repay the Alternate Director such reasonable expenses as he may incur in attending and returning from meetings of the directors which he is entitled to attend or which he may otherwise properly incur in or about the business of the Company or may pay such allowances as they may think proper in respect of these expenses.

No remuneration from Company nor share qualification.

(iii) An Alternate Director shall (on his giving an address for such notices to be served upon him) be entitled to receive notices of all meetings of the directors and to attend and vote as director at any such meetings at which the director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a director in the absence of such appointor.

Notice of meeting.

(iv) An Alternate Director may be appointed for a specified period or until the happening of a specified event but he shall *ipso facto* cease to be an Alternate Director in any of the following events, that is to say:-

Period of appointment and vacation of office.

- (a) upon the resumption of his duties as a director by his appointor;
- (b) if his appointor ceases for any reason to be a director: provided that if any director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;
- (c) if the Alternate Director shall compound with his creditors or be adjudicated an insolvent;
- (d) if the Alternate Director become of unsound mind;
- (e) if the appointment of the Alternate Director is revoked by notice in writing left at the office of his appointor;
- (f) if the directors resolve that the appointment of the Alternate Director be terminated: provided that such termination shall not take effect until the expiration of thirty days after the date of the resolution of the directors.

Voting on appointment or termination.

(v) A director shall not vote on the question of the approval of an Alternate Director to act for him or on the question of the termination of the appointment of such an Alternate Director under sub-paragraph (f) of the last foregoing sub-clause of this article, and if he do so his vote shall not be counted; nor shall he be counted for the purpose of any resolution for either of these purposes on the quorum present at the meeting.

POWERS OF THE BOARD

General powers of the Company vested in the directors.

120. The control of the Company shall be vested in the board and the business of the Company shall be managed by the board, who, in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, may exercise all such powers of the Company, and do on behalf of the Company all such acts and things as are within the scope of the memorandum and articles of association of the Company and as are not, by the Ordinance or by these presents, required to be exercised or done by the Company in general meeting, subject nevertheless to the provisions of the Ordinance and of these presents, and to regulations not being inconsistent with these presents from time to time made by the Company in general meeting, provided that no regulation so made shall invalidate any prior act of the board, which would have been valid if such regulation had not been made.

Specific powers of the board.

121. Without prejudice to the general powers conferred by or implied in the last preceding article and to the other powers and authorities conferred as aforesaid it is hereby expressly declared that the directors shall have the following powers : that is to say:-

Acquisition of the property.	(1) To purchase, take on lease or otherwise acquire any lands, plant, machinery, patents, concessions or other property, rights or privileges which the Company is authorized to acquire at such price and for such consideration and generally on such terms and conditions as they may think fit.	
Payment for property acquired.	(2) At their discretion to pay for any property or rights acquired by the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such shares may be issued, either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property and rights of the Company (including its uncalled capital for the time being) or not so charged.	
To secure contracts by mortgage.	(3) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property and rights of the Company (including its uncalled capital for the time being) or in such other manner as they may think fit.	
To appoint officers, etc.	(4) To appoint and, at their discretion, to remove or suspend such managers, agents, secretaries, engineers, legal advisers, bankers, brokers, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to invest them with such power as they may think expedient and to determine their duties and fix their salaries or emoluments, and to require security in such instances and to such amount as they think fit.	
To appoint trustees.	(5) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds, documents and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.	
To execute mortgages.	(6) Subject to the provisions of article 69 hereof, to execute in the name and on behalf of the Company such mortgages, charges and other securities on the Company's property (present and future) including its uncalled capital as they think fit in favor of any director or directors of the Company or any other person who may incur or be about to incur any personal liability, whether as principal or surety for the benefit of the Company, and any such instrument may contain a power of sale and such other powers, covenants and provisions as may be agreed on.	
	(7) To invest and deal with any of the moneys of the Company which the directors may consider not immediately required to for the purpose thereof upon such investments and in such manner (subject to the provisions of article 2 hereof as they may think fit so that they shall not be restricted to such securities as are permissible to trustees without special powers and from time to time vary or realize such investments.	To invest moneys.
	(8) With the authority of a special resolution- (a) to arrange terms for the amalgamation of the Company with any other company or individual; (b) to sell, exchange or dispose of the lapels, or undertaking of the Company or any part or parts thereof;	Amalgamation and sale of undertaking. Amended at the EGM held on 17/7/87.
	(9) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of any company promoted by this Company or in the promotion of which this Company may be interested.	To pay expenses of promotion of other Companies.
	(10) To make and carry into effect such contracts as they may think fit, for the purchase or other acquisition of the business, property and effects of any person or company carrying on any business similar or identical to that of the Company or which the Company is authorized to carry on or in any other manner conducive to the objects contemplated by the Company or any interest therein.	To make and carry into effect contracts for purchase, etc.
	(11) To cause the Company to be registered or recognized in any part of the world and to apply for and obtain any decrees, concessions, letters patent, licenses and other authorities and documents for and with reference to any of the objects of the Company and exercise the rights and powers thereby conferred and otherwise carry the same into effect.	To register in other countries.
	(12) To operate on behalf of the Company on any existing account or accounts and to open on behalf of the Company any new account or accounts with any bank or banks and to draw, make, accept, endorse and negotiate such promissory notes, bills of exchange and other negotiable instruments as they may deem necessary or expedient for conducting the business of the Company and to determine who shall be entitled to. sign, accept and endorse the same on behalf of the Company.	To operate Bank accounts.
	(13) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of	To bring and defend actions.

any claims or demands by or against the Company.

(14) To refer any claims or demands by or against the Company to arbitration and observe and perform the awards.

To refer claims to arbitration.

(15) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company

To give receipts.

(16) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

To act in matters of bankrupts and insolvents.

(17) To give to any director, officer or other person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company and such commission or share of profits shall be treated as part of the working expenses of the Company and to pay commissions and make allowances to any person introducing business to the Company or otherwise promoting the interests thereof.

To pay commissions, etc.

(18) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants provided that no by-law or regulation shall be made under this power, which would amount to such an addition to or alteration of these articles as could only legally be made by special resolution passed in accordance with sections 11 and 115 of the Ordinance.

To make by-laws.

(19) To enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purposes of the Company.

To enter into contracts.

122. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments in which the Company is in any way concerned or interested, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.

Signing of cheques, etc..

Amended at the EGM held on 31/12/85

MANAGING DIRECTOR
EXECUTIVE DIRECTORS

Power to appoint a managing director and executive directors.

123. (a) The Directors may, from time to time appoint any Director to be the holder of any Executive Office in the Company including the offices of Managing Director and of Executive Director of the Company, for a fixed term or without any limitation as to the period for which he or they is or are to hold such office, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from Executive Office and appoint or not appoint another in his place.

Managing Director and executive Directors not subject to retirement.

(b) A Managing Director or an Executive Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors.

Provisions to which the Managing Director and the Executive Directors shall be subject to

(c) A Managing Director and an Executive Director shall however be subject to the same provisions as to vacation of and removal from the office of Director as the other Directors of the Company and on his ceasing to hold the office of Director by any cause whatsoever he shall, *ipso facto* and immediately, cease to be a Managing Director or an Executive Director of the Company as the case may be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Remuneration of the Managing Director and the Executive Directors.

(d) The remuneration of a Managing Director shall (subject to the provisions of any contract between him and the Company) from time to time be fixed by the directors, and may be by way of fixed salary and allowances, or commission on dividends, profits or turnover of the Company, or of any other company in which the Company is interested, or by participation in any such profits, or by any, or all of those modes.

Powers and duties of the Managing Directors.

(e) The directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the directors as they may think fit, and may confer such power for such time and to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions as they think expedient; and they may confer such powers, either collaterally with or to the exclusion of, and in substitution for all or any of the powers of the directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

(f) The Managing Director may from time to time entrust to and confer upon any Executive Director for the time being such of the powers exercisable under these presents by the Managing Director as he may think fit and may confer such powers for such time and

to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions as the Managing Director thinks expedient and may from time to time revoke, withdraw, alter or vary all or any such powers.

LOCAL MANAGEMENT

Management and affairs of Company abroad.

124. The board may, from time to time, provide for the management of the affairs of the Company in Sri Lanka or abroad in such manner as they shall think fit and the provisions contained in the five next following articles shall be without prejudice to the general powers conferred by this article.

Board may establish local boards.

125. The board, from time to time and at any time, may establish any local boards or agencies for managing any of the affairs of the Company in Sri Lanka or abroad, and may appoint any persons to be members of such local board or any managers or agents and may fix their remuneration.

Chairman of local board.

126. The board may appoint any one of their own number or any other person to be chairman of any local board and may lay down such rules and regulations as they may think fit for the conduct of the business of any local board and may revoke, annul or vary any such appointment, rules or regulations.

Delegation of directors' powers.

127. The board, from time to time and at any time, may delegate to any director, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the board with regard to the conduct of the business of the Company (other than the power to make calls and to borrow or to mortgage the Company's property) with power to sub-delegate and may authorize the members for the time being of any such local board or any of them to fill up any vacancies therein and to act notwithstanding vacancies.

Delegation of directors' powers.

Removal of person appointed to local board.

128. Any such appointment or delegation as aforesaid may be made on such terms and subject to such conditions as the board may think fit and subject to the terms of any contract between the Company and the person concerned, the board may, at any time, remove any person so appointed and may by letter, telegram or cablegram, annul or vary any such delegation but no person dealing in good faith and without notice of such annulment or variation shall be affected thereby.

129. The board may, from time to time, and at any time, by power of attorney under the seal, appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as the board may from time to time think fit, and any such appointment may (if the board think fit) be made in favour of any of the directors or of the members or any one or more of the members of any local board established as afore-said or in favour of any company or of the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the board, and any such powers of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the board think fit. Any such attorneys as aforesaid may be authorised by the board to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

Power of attorney.

PROCEEDINGS OF DIRECTORS

130. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they may think fit and determine the quorum necessary for the transaction of business. Until otherwise determined, two directors shall be a quorum.

131. A director may at any time and the secretary shall at the request of a director summon a meeting of directors. A director who is at any time out of the Island shall not during such time be entitled to notice of any such meeting.

132. The Board may appoint and remove a Chairman and Deputy Chairman of the Board of their meetings, and may determine the period for which they are to hold office. The Chairman, or in his absence the Deputy Chairman, so appointed shall preside as chairman at meetings of the Board. If no Chairman or Deputy Chairman shall have been appointed, or if at any meeting the Chairman or Deputy Chairman be not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be Chairman of the meeting.

Who is to preside at meetings of board.

133. Any question which shall arise at any meeting of the directors shall be decided by a majority of votes and in case of an equality of votes, the chairman thereat shall have a casting vote in addition to his vote as a director.

Questions at meetings how decided .

Board may appoint committees.

134. The board may delegate any of their powers to committees, consisting of such member or members of their body as the board think fit, and they may, from time to time, revoke and discharge any such committee, either wholly or in part and either as to persons or purposes, but every committee so formed shall, in exercise of the powers delegated to it, conform to all such regulations as may be prescribed by the board. All acts done by any such committee in conformity with such regulations and in the fulfillment of the purposes of their appointment but not otherwise shall have the like force and effect as if done by the board.

135. The acts of the board or of any committee appointed by the board, shall, notwithstanding any vacancy in the board or committee or defect in the appointment of any director or of any member of the committee, be as valid as if no such vacancy or defect had existed and as if every person had been duly appointed, provided the same be done before the discovery of the defect.

Acts of board or committee valid notwithstanding defect in appointment.

136. The meetings and proceedings of such committees shall be governed by the provisions herein contained for regulating the meetings and proceedings of directors so far as the same are applicable thereto and are not superseded by the express terms of the appointment of such committee respectively or any regulation imposed by the board.

Regulation of proceedings of committee.

137. A resolution in writing, signed in approval thereof by all the directors for the time being resident in Sri Lanka (provided such directors shall not be less than two in number) shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted.

Resolution in writing.

138. The directors shall cause minutes to be made in books to be provided for the purpose of the following matters *videlicet*:-

- a. Of all appointments of officers and committees made by the directors.
- b. Of the names of the directors present at each meeting of the directors and of the members of any committee appointed by the board present at each meeting of the committee.
- c. Of all resolutions and proceedings of all general meetings.
- d. Of all resolutions and proceedings of all meetings of the directors and of the committees appointed by the board.
- e. Of all orders made by the directors and committees of directors.
- f. Of the use of the Company's seal.

139. All such minutes shall be signed by the person or one of the persons who shall have presided as chairman at the general meeting, the board meeting or committee meeting at which the business minuted shall have been transacted or by the person or one of the persons who shall preside as chairman at the next ensuing general meeting, board meeting or committee meeting respectively; and all minutes purporting to have been signed by any chairman of any general meeting, board meeting or committee meeting respectively shall, for all purposes whatsoever, be *prima facie* evidence of the actual and regular passing of the resolutions and the actual and the regular transaction or occurrence of the proceedings and other matters purporting to be so recorded and of the regularity of the meeting at which the same shall appear to have taken place and of the chairmanship and signature of the person appearing to have signed as chairman and of the date on which such meeting was held.

Signature of minutes of proceedings and effect thereof.

COMPANY'S SEAL

140. The seal of the Company shall not be affixed to any deed, certificate of shares, or other instrument except with the authority of the board, and then only in the presence of two or more directors, or of one director and the secretary who shall attest the sealing thereof. Any instrument sealed with the seal of the Company and signed by two or more directors, or by one director and the secretary of the Company, shall be presumed to be duly executed.

Use of seal.

ANNUAL RETURNS

141. The Company shall make the requisite Annual Returns in accordance with section 106 of the Ordinance.

Annual Returns.

BOOKS AND DOCUMENTS

142. The directors shall cause books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure takes place; of all sales and purchases of goods and of the assets and liabilities of the Company. The books so kept shall be such as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions. The books of account shall be kept at the office, or at such other place or places as the board shall think fit and shall at all times be open to inspection by the directors.

Books of account to be kept.

143. The directors shall from time to time (subject to the provisions of sections 97, 119 and 128 of the Ordinance) determine whether and to what extent, and at what time or places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors; and no member (not being a director) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Ordinance or authorised by the directors, or by a resolution of the Company in general meeting, and no member (not being a director) shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret or secret process used by the Company.

ACCOUNTS AND AUDIT

144. At the annual general meeting in every year the directors shall lay before the Company a profit and loss account and a balance sheet containing a summary of the property and liabilities of the Company, made up to a date not more than nine months before the meeting, from the date up to which the last preceding account and balance sheet were made up and such balance sheet and account shall comply with the provisions of sections 122, 123, 124 and 126 of the Ordinance. Save as aforesaid, the directors shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than they may deem expedient.

Profit and loss account and balance sheet to be laid before annual general meeting.

145. Every such account and balance sheet shall be accompanied by a report of the directors as to the state and condition of the Company and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend to the members, and the amount (if any) which they propose to carry to the reserve fund, according to the provisions in that behalf hereinafter contained.

Report of directors to accompany accounts.

146. A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting together with a copy of the auditors' report shall, not less than seven days before the date of the meeting, be sent to every member of the Company; but this article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware, nor to more than one of the joint holders of any shares.

Printed copy of accounts to be sent to members.

147. Once at least in every year, the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet ascertained by one or more auditor or auditors.

Accounts to be audited annually.

148. The Company at each annual general meeting shall appoint an auditor or auditors to hold office until the next annual general meeting, and his or their appointment, remuneration, rights and duties shall be regulated by sections 130, 131 and 132 of the Ordinance.

Appointment of auditors and their rights and duties.

DIVIDENDS, BONUS AND RESERVE FUND

149. Where any asset is bought by the Company as from a past date upon the terms that the Company shall, as from that date, take the profits and bear the losses thereof, such profits or losses, as the case may be, shall, at the discretion of the directors, be credited or debited, wholly or in part, to revenue account and in that case, the amount so credited or debited shall, for the purpose of ascertaining the fund available for dividend, be treated as a profit or loss arising from the business of the Company.

Profit or loss from asset acquired as from a past date.

150. Subject to the rights of holders of shares issued upon special conditions and to any arrangements that may be made by the Company to the contrary and subject as to shares not fully paid up to any special arrangement made as regards money paid in advance of calls and subject to the provisions of these presents as to reserve fund, the profits of the Company

How profits shall be divisible

shall be divisible among the members in proportion to the capital paid or credited as paid on the shares held by them respectively.

Declaration of dividend.

151. The Company, in general meeting, may declare a dividend to be paid to the members according to their rights and interests in the profits and may fix the time for payment. Provided always that, if shares shall have been issued during the course of a financial year, the holder thereof shall, subject to any arrangement made by the directors to the contrary, only be entitled to have paid to him, in respect of dividends on such shares a proportionate part of the dividends for such financial year, calculated on the proportionate part of the year from the date on which such shares were allotted, treating such dividends as earned rateably over the whole year. No dividend shall be payable out of the capital of the Company and the declaration of the board as to the amount available for dividend shall be conclusive. No dividend shall exceed the amount recommended from time to time by the board but the Company in general meeting may declare a smaller dividend.

152. Any general meeting may direct payment of any dividend declared at such meeting or of any interim dividend which may subsequently be declared by the directors, wholly or in part in a currency other than that of Sri Lanka, by means of drafts or cheques or by the distribution of specific assets and, in particular, of paid-up shares, debentures or debenture-stock of the Company or of any other company or in any other form of specie or in any one or more of such ways and the directors shall give effect to such direction, and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient and, in particular, may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest *any* such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the board.

Dividend in currency other than that of Ceylon and dividend in specie.

153. The directors may also, if they think fit, from time to time and at any time, without the sanction of a general meeting, determine on and declare an interim dividend to be paid and (or) pay a bonus to the members on account and in anticipation of the dividend for the then current year.

Interim dividend.

154. Previously to the directors paying or recommending any dividend on preference or ordinary shares, they may set aside, out of the profits of the Company, such sum as they think proper as a reserve fund and may invest the same as they shall think fit (subject to the provisions of article 2 hereof) or place the same on fixed deposit in any bank or banks and may, from time to time, deal with, vary or realise such investments and dispose of all or any part thereof for the benefit of the Company. The directors may divide the reserve fund into such special funds as they think fit, with full power to employ the assets constituting the reserve fund in the business of the Company and that without being bound to keep the same separate from the other assets and the directors may also carry forward any profits which they may deem it not prudent to divide.

Reserve Fund.

155. The directors may, from time to time, apply such portions as they think fit of the reserve fund to meet contingencies or for the payment of accumulated dividends (if any) due on preference shares or for equalizing dividends or for special dividends or for working the business of the Company or for repairing or maintaining or extending the buildings and premises or for the repair or renewal or extension of the property or plant connected with the business of the Company or any part thereof or for any other purpose of the Company which they may from time to time deem expedient.

Application of Reserve Fund.

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

Capitalization of Reserves.

157. Whenever such a resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profits resolved to be capitalized 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 fractional certificates or by payment in cash or otherwise as they think fit for 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 thereto 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, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

How given effect to by directors.

- Capital profits. 158. A general meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital.
- Capital redemption fund may be applied in paying up new shares. 159. If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption reserve fund arising from the redemption of such shares may, by resolution of the Company, be applied in paying up in full any shares then remaining unissued, to be issued to the members of the Company entitled to the same as fully paid bonus shares.
- Directors to settle difficulties of distribution and issue fractional certificates, etc. 160. For the purpose of giving effect to any resolution under the two last preceding articles, the directors may settle any difficulty which may arise in regard to the distribution as they think expedient and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed or that fractions of less value than one rupee may be disregarded in order to adjust the rights of all parties and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the directors.
- Unpaid dividend not to bear interest. 161. No unpaid interest or dividend shall ever bear interest against the Company.
- Member not entitled to dividend when debt due to. 162. No member shall be entitled to receive payment of any dividend or bonus in respect of his share or shares whilst any moneys may be due or owing from him (whether alone or jointly with any other person) to the Company in respect of such share or shares or otherwise howsoever.
- Directors may deduct debts from dividends. 163. The directors may deduct from the dividend payable to any member all sums of money due from him (whether alone or jointly with any other person) to the Company and notwithstanding such sums shall not be payable until after the date when such dividend is payable. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.
- Payment by post. 164. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member entitled thereto or, in the case of joint-holders, to the registered address of that one whose name stands first on the register in respect of the joint-holding; but the Company shall not be liable or responsible for the loss of any such cheque or dividend warrant sent through the post.
- Unclaimed dividends. 165. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for six years after having been declared shall be forfeited and shall revert to the Company.
- Dividends to joint-holders. 166. Every dividend payable in respect of any share held by several persons jointly may be paid to and an effectual receipt given by any one of such persons.

NOTICES

- Notices how authenticated. 167. Notices from the Company may be authenticated by the signature (printed or written) of the secretary or other persons appointed by the board to do so.
- Member to register an address in Ceylon. 168. Every member whether resident in Sri Lanka or not shall furnish the Company for registration with an address in Sri Lanka as the place to which any communication intended for him may be sent by the Company which address shall be deemed to be his registered address for the purposes of these articles.
- How notice to be served on members. 169. A notice may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address and any notice so served shall be deemed to be well served for all purposes notwithstanding that the member to whom such notice is addressed be dead unless his executors or administrators shall have given to the directors or to the secretary of the Company their own or some other address in Sri Lanka.
170. All notices directed to be given to members shall with respect to any share to which persons are jointly entitled be sufficient if given to any one of such persons and notice so given shall be sufficient notice to all the holders of such share. Notice to joint-holders.
171. A notice may be given by the Company to the persons entitled to a share in consequence of the death, insolvency or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, trustees of the bankrupt or by any like description, at the address (if any) within Sri Lanka supplied for the purpose by the persons claiming to Notice to persons entitled by transmission.

be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, insolvency or bankruptcy had not occurred.

172. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.

Transferees, etc. bound by prior notice.

173. Any notice sent by post shall be deemed to have been served on the day succeeding the day on which the letter, envelope or wrapper containing the same is posted. A certificate in writing signed by any director or the secretary or other officer of the Company that the letter, envelope or wrapper containing the notice was properly addressed, stamped and put into the post office or post box shall be conclusive proof of such posting.

Service by post.

174. Where notice is to be given by advertisement, such advertisement shall be published in Sinhala, Tamil and English national daily newspapers.

Notice required to be given by advertisement. Amended at the AGM held on 09/10/2002

ARBITRATION

175. Whenever any question or other matter whatsoever arises in dispute between the Company and any other company or person the same may be referred by the directors to arbitration pursuant to and so as with regard to the mode and consequence of the reference and in all other respects to conform to the provisions in that behalf contained in the Civil Procedure Code (Chapter 101) and/or the Arbitration Ordinance (Chapter 98), or any then subsisting statutory modification thereof.

Directors may refer disputes to arbitration.

SECRECY

176. Every director, auditor, trustee, member of a committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the directors before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Secrecy.

177. No member or other person (not being a director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the directors of the Company for the time being or subject to article 143 to require discovery of or any information respecting any detail of the Company's trading or any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the directors it will be inexpedient in the interests of the members of the Company to communicate.

No shareholder to enter the premises of the Company without permission.

WINDING UP

178. Any member, whether a director or not, or whether alone or jointly with any other member or director, and any person not a member may become the purchaser of the property of the Company or any part thereof in the event of a winding up or a dissolution or at any other time when a sale of the Company's property or effects or any part thereof shall be made by the directors under the powers hereby or under the Ordinance conferred upon them.

Any member or director may purchase Company's property.

179. If the Company shall be wound up and there shall be any surplus assets after payment of all debts and satisfaction of all liabilities of the Company, such surplus assets shall be applied first in repaying to the holders of the preference shares (if any) the amounts that may be due to them, whether by way of capital only or by way of capital and any dividend or arrears of dividend, whether earned or declared or not, or otherwise in accordance with the rights, privileges and conditions attached thereto and the balance in repaying to the holders of the ordinary shares the amounts paid up or reckoned as paid up on such ordinary shares. If, after such payments, there shall remain any surplus assets, such surplus assets shall be divided among the holders of ordinary shares in proportion to the capital paid up or reckoned as paid up on the shares which are held by them respectively at the commencement of the winding up, unless the conditions attached to the preference shares expressly entitle such shares to participate in such surplus assets.

180. (1) If the Company shall be wound up, whether voluntarily or otherwise, the

Distribution of surplus assets.

Distribution in specie and vesting in trustees.

liquidators may, with the sanction of an extraordinary resolution, divide among the contributories in specie or kind, any part of the assets of the Company, and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like sanction, shall think fit.

Distribution otherwise than in accordance with rights of contributors.

(2) If thought expedient, any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the memorandum of association), and in particular any class may be given preferential or special rights, or may be excluded altogether or in part; but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to section 225 of the Ordinance.

Division of shares involving a liability.

(3) In case any of the assets of the Company to be divided as aforesaid shall consist of shares which involve a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the extraordinary resolution, by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

INDEMNITY

181. Every director, Managing Director, manager, or officer of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor shall be indemnified out of the funds of the Company against all liabilities incurred by him as such director, Managing Director, manager, officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under section 360 of the Ordinance in which relief is granted to him by the Court.

Indemnity to directors

182. No contribution shall be required from any present or past director, Managing Director or manager exceeding the amount if any unpaid on the shares in respect of which he is liable as a present or past member.

No contribution to be required from directors beyond amount if any, unpaid on their shares.

183. The Company may effect insurance for a Director or employee of the Company to the extent permitted by law, with the prior approval of the Board.

For the purposes of this Article, the term 'Director' includes a former Director and the term 'employee' includes a former employee to the extent that the insurance or indemnity is provided in relation to any act or omission done in his/her capacity as a Director or employee and is not in relation to any criminal liability".

We, the several persons whose names and addresses are subscribed, being subscribers to the Memorandum of Association, hereby agree to the foregoing Articles of Association.

**Names, Addresses, Descriptions & Signatures
of subscribers**

1. **ALGERNON STANLEY KARUNARATNA,**
2, Roseneath Road,
Kandy.

Proctor

2. **VERNON JONKLAAS,**
Upper Lake Cottage,
"A" Vicotria Drive,
Kandy.

Advocate

3. **SENEVIRATNA LEUKE RATWATTE,**
Mahayaya, Katugastota Road,
Kandy.

Land Proprietor

4. **THEODORE ALEXANDER DUNUWILLE,**
32, Halloluwa Road,
Kandy.

Advocate

5. **CHANDRA WIJENAIKE,**
28/1, Halloluwa Road,
Kandy.

Witness to the above signatures at Kandy,

This 3rd day of December, 1957.

P.MAPALAGAMA
Proctor, S.C.

