

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

**AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION**

**OF**

**ALIEN METALS LIMITED**

A COMPANY LIMITED BY SHARES

**1. DEFINITIONS AND INTERPRETATION**

- 1.1. In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

“**Act**” means the BVI Business Companies Act (No. 16 of 2004) (as amended) and includes the regulations made under the Act;

“**Annual General Meeting**” means a meeting of Shareholders to be held in each year pursuant to Regulation 10.3;

“**Articles**” means the attached Articles of Association of the Company;

“**certificated share**” means a share in Company that is not an uncertificated share and references to a share being held in certificated form shall be construed accordingly;

“**Board**” means the Directors of the Company;

“**Chairman of the Board**” has the meaning specified in Regulation 13;

“**Companies Acts**” means the Act as amended and every other statute from time to time in force in the British Virgin Islands, insofar as the same applies to the Company and as the same may be amended or re-enacted from time to time, and “**Companies Act**” shall mean the Act, 2004 as amended or re-enacted from time to time;

“**Distribution**” in relation to a distribution by the Company means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder in relation to Shares held by a Shareholder, and whether by means of a purchase of an asset, the redemption or other acquisition of Shares, a distribution of indebtedness or otherwise, and includes a dividend;

“**Eligible Person**” means individuals, corporations, incorporated associations, incorporated syndicates or other incorporated organizations, unincorporated associations, unincorporated syndicates, trusts, trustees, administrators or other legal representatives, the estates of deceased individuals or partnerships;

“**General Meeting**” means a meeting of the Shareholders of the Company, including (where the context permits) an Annual General Meeting;

“**London Stock Exchange**” means London Stock Exchange plc;

“**Memorandum**” means this Memorandum of Association of the Company;

“**Relevant System**” has the meaning given to it by Clause 1.2(d);

“**Resolution of Directors**” means either:

- (a) a resolution approved at a duly convened and constituted meeting of Directors of the Company or of a committee of Directors of the Company by the affirmative vote of a majority of the Directors present at the meeting who voted except that where a Director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or
- (b) a resolution consented to in writing by all Directors or by all members of a committee of Directors of the Company, as the case may be;

“**Resolution of Shareholders**” means either:

- (a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of a majority of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or
- (b) a resolution consented to in writing by a majority of the votes of Shares entitled to vote thereon;

“**Seal**” means any seal which has been duly adopted as the common seal of the Company;

“**Securities**” means Shares and debt obligations of every kind of the Company, and including without limitation options, warrants and rights to acquire shares or debt obligations;

“**Share**” means a common share issued or to be issued by the Company;

“**Shareholder**” means an Eligible Person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares;

“**Special Resolution**” means either:

- (a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of 75% of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or
- (b) a resolution consented to in writing by 75% of the votes of Shares entitled to vote thereon;

“**Treasury Share**” means a Share that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled;

“**UK Act**” means the Companies Act 2006, being a statute in force in the United Kingdom, as amended or re-enacted from time to time;

“**uncertificated share**” means a share of a class in the Company which is recorded on the share register as being held in uncertificated form and title to which may, by virtue of the regulations governing the Relevant System, be transferred by means of a Relevant System and references to a share being held in uncertificated form shall be construed as a reference to that share being an uncertificated unit of security;

“**written**” or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and “**in writing**” shall be construed accordingly.

- 1.2. In the Memorandum and the Articles, unless the context otherwise requires a reference to:
  - (a) a “**Regulation**” is a reference to a regulation of the Articles;
  - (b) a “**Clause**” is a reference to a clause of the Memorandum;
  - (c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;
  - (d) where the Articles refer to a Relevant System in relation to a share, the reference is to the Relevant System in which that share is a participating security at the relevant time;
  - (e) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended; and
  - (f) the singular includes the plural and vice versa.
- 1.3. Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and Articles unless otherwise defined herein.
- 1.4. Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.

## **2. NAME AND JURISDICTION OF INCORPORATION**

- 2.1. The Company was incorporated under the laws of British Columbia, Canada on the 4<sup>th</sup> day of May 2004 under the name Hard Assets Inc.
- 2.2. The Company was continued under the Act as Arian Silver Corporation on 24 May 2006.

## **3. STATUS**

The Company is a company limited by shares.

## **4. REGISTERED OFFICE AND REGISTERED AGENT**

- 4.1. The first registered office of the Company is at Palm Grove House, Road Town, Tortola, British Virgin Islands, the office of the first registered agent.
- 4.2. The first registered agent of the Company is Appleby Corporate Services (BVI) Limited of Palm Grove House, Road Town, Tortola, British Virgin Islands.
- 4.3. The Company may by Resolution of Shareholders or by Resolution of Directors change the location of its registered office or change its registered agent.
- 4.4. Any change of registered office or registered agent will take effect on the registration by the Registrar of a notice of the change filed by the existing registered agent or legal practitioner in the British Virgin Islands acting on behalf of the Company.

## **5. CAPACITY AND POWERS**

- 5.1. Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:
- (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and
  - (b) for the purposes of paragraph (a), full rights, powers and privileges.
- 5.2 For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

## **6. NUMBER AND CLASSES OF SHARES**

- 6.1 The Company is authorised to issue an unlimited number of Shares with no par value.
- 6.2 Shares in the Company shall be issued as a single class.

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

- 7.1 Each Share in the Company confers upon the Shareholder:
- (a) the right to attend and to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders, subject to Sub-Regulations 5.14 and 5.16;
  - (b) the right to an equal share in any dividend paid by the Company, subject to Sub-Regulations 5.15 and 5.16; and
  - (c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.
- 7.2 The Directors may at their discretion by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares in the Company subject to Regulation 5 of the Articles.

## **8. VARIATION OF RIGHTS**

The rights attached to any class of Shares as specified in Clause 7 may only, whether or not the Company is being wound up, be varied with the consent in writing of or by a resolution passed at a meeting by the holders of more than 50 per cent of the issued Shares of that class.

## **9. RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU**

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

## **10. REGISTERED SHARES**

- 10.1 The Company shall issue registered shares only.
- 10.2 The Company is not authorised to issue bearer shares, convert registered shares to bearer shares or exchange registered shares for bearer shares.

## **11. TRANSFER OF SHARES**

- 11.1 The Company shall, on receipt of an instrument of transfer complying with Sub-Regulation 8.1 of the Articles, enter the name of the transferee of a Share in the register of members unless the Directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a Resolution of Directors.
- 11.2 The Directors may resolve to refuse or delay the transfer of a Share where the Shareholder has failed to pay an amount due in respect of the Share.
- 11.3 The Board may, in circumstances permitted by the London Stock Exchange, refuse to register the transfer of a certificated share provided that exercise of such powers does not disturb the market in the shares.
- 11.4 The Board may refuse to register the transfer of an uncertificated share (or interest in such share) in any circumstances where refusal is permitted by the London Stock Exchange, and/or the rules and practices of the operator of the Relevant System provided that exercise of such powers does not disturb the market in the shares.

## **12. AMENDMENT OF MEMORANDUM AND ARTICLES**

Subject to Clause 8:

- 12.1 the Company may amend its Memorandum or Articles by a Special Resolution, or
- 12.2 if the amendment is required in connection with an application for the Shares to be listed on the TSX Venture Exchange, the Company may amend its Memorandum or Articles by a Resolution of Directors, save that no amendment may be made by a Resolution of Directors:
- (a) to restrict the rights or powers of the Shareholders to amend the Memorandum or Articles;
  - (b) to change the percentage of Shareholders required to pass a Resolution of Shareholders to amend the Memorandum or Articles;
  - (c) in circumstances where the Memorandum or Articles cannot be amended by the Shareholders;  
or
  - (d) to Clauses 7, 8, 9 or this Clause 12 of this Memorandum of Association.

We, Appleby Corporate Services (BVI) Limited of Palm Grove House, Road Town, Tortola, British Virgin Islands for the purpose of continuing the Company as a BVI Business Company under the laws of the British Virgin Islands hereby sign this Memorandum of Association on behalf of the shareholders of the Company this 24th day of May, 2006.

Sgd. Andrew Saunders

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Andrew Saunders  
Authorised Signatory  
Appleby Corporate Services (BVI) Limited

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF**

**ALIEN METALS LIMITED**

**A COMPANY LIMITED BY SHARES**

**1. REGISTERED SHARES**

- 1.1. The Company may (unless the Share issued is held in uncertificated form) issue to a Shareholder a certificate signed by a Director of the Company and countersigned by the duly appointed transfer agent of the Company with respect to Canadian issued certificates or under the Seal specifying the number of Shares held by him and the signature of the Director and the transfer agent and the Seal may be facsimiles.
- 1.2. Any Shareholder receiving a certificate shall indemnify and hold the Company and its Directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by a Resolution of Directors.
- 1.3. If several Eligible Persons are registered as joint holders of any Shares, any one of such Eligible Persons may give an effectual receipt for any Distribution.

**2. DEPOSITORY INTERESTS AND UNCERTIFICATED SHARES**

- 2.1 The Directors shall, subject always to the Companies Acts, any other applicable laws and regulations and the facilities and requirements of any Relevant System concerned and these Regulations, have power to implement and/or approve any arrangements they may, in their absolute discretion, think fit in relation to (without limitation) the evidencing of title to and transfer of interests in shares in the capital of the Company in the form of depository interests or similar interests, instruments or securities, and to the extent such arrangements are so implemented, no provision of these Regulations shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer therefore or the shares in the capital of the Company represented thereby. The Directors may from time to time take such actions and do such things as they may, in their absolute discretion, think fit in relation to the operation of any such arrangements.
- 2.2 Subject to the Companies Acts, the Board may permit shares (or interests in shares) to be held in uncertificated form and to be transferred by means of a Relevant System of holding and transferring shares (or interests in shares) in uncertificated form and may determine that any class of shares shall cease to be a participating security. Where the Board permits shares (or interests in such shares) to be held in uncertificated form, Regulations 2.5 and 2.6 shall commence to have effect immediately prior to the time at which the operator of the Relevant System concerned permits the class of shares (or interests in such shares) to be a participating security.

- 2.3 Conversion of shares held in certificated form into shares (or interest in such shares) held in uncertificated form, and vice versa, may be made in such manner as the Board may in its absolute discretion think fit (subject to the facilities and requirements of the Relevant System).
- 2.4 Shares in the capital of the Company that fall within a certain class shall not form a separate class of shares from other shares in that class because any share in that class is held in uncertificated form or is permitted in accordance with the regulations of the Relevant System to become a participating security.
- 2.5 In relation to any class of shares (or interest in such shares) which is, for the time being, a participating security, and for so long as such class remains a participating security, no provision of these Regulations shall apply or have effect to the extent that it is in any respect inconsistent with:
- (a) the holding of shares (or interest in such shares) of that class in uncertificated form;
  - (b) the transfer of title to shares (or interest in such shares) of that class by means of a Relevant System; or
  - (c) the requirements of the Relevant System

and, without prejudice to the generality of this Regulation, no provision of these Regulations shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the operator of the Relevant System, so long as that is permitted or required by the regulations governing the Relevant System, of an operator register of securities in respect of shares of that class in uncertificated form.

- 2.6 Without prejudice to the generality of Regulation 2.4 and notwithstanding anything contained in these Regulations, where any class of shares (or interest in such shares) is, for the time being, a participating security (such class being referred to hereinafter as the "**Relevant Class**"):
- (a) the register relating to the Relevant Class shall be maintained at all times in such place as may be determined by a Resolution of Directors; and
  - (b) unless the Directors otherwise determine, shares of the Relevant Class held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings.

### **3. COMPANY'S RIGHTS IN RESPECT OF UNCERTIFICATED SHARES**

Where any class of shares (or interest in such shares) is a participating security and the Company is entitled under the Companies Acts or the Articles to sell, transfer, dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share (or interest in such share) held in uncertificated form, the Company shall be entitled, subject to the Companies Acts and the Articles and the facilities and requirements of the Relevant System:

- (a) to require the holder of that uncertificated share (or interest in such share) by notice to change that share (or interest in such shares) into certificated form within the period specified in the notice and to hold that share in certificated form so long as required by the Company;
- (b) to require the holder of that uncertificated share (or interest in such share) by notice to give any instructions necessary to transfer title to that share by means of the Relevant System within the period specified in the notice;
- (c) to require the holder of that uncertificated share (or interest in such share) by notice to appoint any person to take any steps, including without limitation the giving of any instructions by means of the Relevant System, necessary to transfer that share within the period specified in the notice;
- (d) to take any action that the Board considers appropriate to achieve the sale, transfer, disposal of, forfeiture, re-allotment or surrender of that share (or interest in such share) or otherwise to enforce a lien in respect of it; and
- (e) to assume that the entries on any record of securities maintained by it in accordance with the regulations governing the Relevant System and regularly reconciled with the relevant operator register of securities are a complete and accurate reproduction of the particulars entered in the operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance upon such assumption; in particular, any provision of these Regulations which requires or envisages that action will be taken in reliance on information contained in the register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

#### 4. SHARES

- 4.1. Shares and other Securities may be issued at such times, to such Eligible Persons, for such consideration and on such terms as the Directors may by Resolution of Directors determine.
- 4.2. Section 46 of the Act (*Pre-emptive rights*) does not apply to the Company.
- 4.3. A Share may be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how) or a contract for future services.
- 4.4. No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:
  - (a) the amount to be credited for the issue of the Shares;
  - (b) their determination of the reasonable present cash value of the non-money consideration for the issue; and
  - (c) that, in their opinion, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.
- 4.5. The Company shall keep a register (the “**register of members**”) containing:
  - (a) the names and addresses of the Eligible Persons who hold Shares;
  - (b) the number of each class and series of Shares held by each Shareholder;
  - (c) the date on which the name of each Shareholder was entered in the register of members; and



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(d) the date on which any Eligible Person ceased to be a Shareholder.

4.6. The register of members may be in any such form as the Directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the Directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

4.7. A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

## **5. REDEMPTION OF SHARES AND TREASURY SHARES**

5.1. The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Shares without their consent.

5.2. The Company may only offer to acquire Shares if at the relevant time the Directors determine by Resolution of Directors that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

5.3. Sections 60 (*Process for acquisition of own shares*), 61 (*Offer to one or more shareholders*) and 62 (*Shares redeemed otherwise than at the option of company*) of the Act shall not apply to the Company.

5.4. Shares that the Company purchases, redeems or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares except to the extent that such Shares are in excess of 50 percent of the issued Shares in which case they shall be cancelled but they shall be available for reissue.

5.5. All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.

5.6. Treasury Shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and Articles) as the Company may by Resolution of Directors determine.

5.7. Where Shares are held by another body corporate of which the Company holds, directly or indirectly, shares having more than 50 per cent of the votes in the election of Directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

5.8 For the purposes of Sub-Regulations 5.8 to 5.17:

(a) "Excepted Transfer" means, in relation to Shares held by a Shareholder:

(i) a transfer pursuant to acceptance of a takeover offer for the Company; or

(ii) a transfer pursuant to an order of a court of competent jurisdiction; or

(iii) a transfer where the directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the Shares to a party unconnected with the Shareholder or with any person appearing to be interested in such Shares including any such sale made through the AIM market of the London Stock Exchange plc or another stock exchange outside the United Kingdom on which Shares are normally traded.

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- (b) “Holding” means any legal or beneficial interest, whether direct or indirect, in the Shares of a person who is a Significant Shareholder.
  - (c) “Relevant Change” means a change to the Holding of a Significant Shareholder above 3 per cent. (excluding Treasury Shares) which increases or decreases such Holding through any single percentage whether as a result of an acquisition or disposal of Shares or as a result of events changing the breakdown of voting rights.
  - (d) “Relevant System” means a relevant system in which the Shares are a participating security at the relevant time;
  - (e) “Significant Shareholder” means a Shareholder of 3 per cent. or more of Shares in the Company (excluding Treasury Shares).

5.9 A Shareholder must notify the Company without delay of any Relevant Change, disclosing:

- (a) the identity of such Shareholder and the identity of any person who has any interest in the Shares held by such Shareholder and the nature of such interest;
- (b) the identity of the person, if any, entitled to exercise voting rights on behalf of such Shareholder;
- (c) the date on which the Relevant Change to the Holding was effected;
- (d) the price and amount of the Shares concerned;
- (e) the nature of the transaction;
- (f) the nature and extent of the Significant Shareholder’s interest in the transaction;
- (g) the percentage Holding of the Significant Shareholder of Shares in the Company and the resulting changes, if any, in voting rights following the transaction.

5.10 Any notification in accordance with Sub-Regulation 5.9 must be done by reference to each of the following:

- (a) the aggregate of all voting rights which the Shareholder holds as Shareholder; and
- (b) the aggregate of all voting rights held as direct or indirect Shareholder.

and a Shareholder is required to notify the Company if the overall percentage level of his voting rights remains the same but there is a notifiable change in the percentage level of one of the categories of voting rights held.

5.11 Any notification required to be made by a Shareholder under Sub-Regulation 5.9 must be made in writing to the Company without delay. To the extent a Shareholder is not lawfully able to make a notification under Sub-Regulation 5.9, such Shareholder shall use reasonable endeavours to procure that the relevant person notifies his interests to the Company without delay.

5.12 The directors shall have power by notice in writing to require any Shareholder to disclose to the Company the identity of any person other than the Shareholder who has any interest in the Shares held by the Shareholder and the nature of such interest. Any such notice shall be in such form as the directors approve and shall require any information in response to such notice to be given in writing within such reasonable time as the directors shall determine.

5.13 If:

- (a) it shall come to the notice of the directors that any Shareholder has not, within the requisite period made or, as the case may be, procured the making of any notification required by Sub-Regulation 5.9; or
- (b) any Shareholder or another person whom the Company knows or has reasonable cause to believe to be interested in Shares held by that Shareholder has been duly served with a notice given by the directors in accordance with Sub-Regulation 5.12 and the Shareholder or other person is in default for 14 days from the date of the service of the notice in supplying to the Company the information thereby required,

then the directors may in their absolute discretion at any time thereafter serve a notice (a “Direction Notice”) upon such Shareholder.

5.14 A Direction Notice may direct that, in respect of:

- (a) the Shares in relation to which the default occurred;
- (b) any other Shares held by the Shareholder (including any shares issued to such Shareholder after the date of the issue of the notice referred to in Sub-Regulation 5.12 or the date on which notification was required under Sub-Regulation 5.9;

(together the “Default Shares”)

the Shareholder shall have no right to be present or to vote at a meeting of Shareholders or on a Resolution of Shareholders or separate meeting of the holders of any class of Shares of the Company (or on a resolution of such class of Shareholders) either personally or by proxy or to exercise any other right in connection with meetings of the Company or on a poll the holders of any class of Shares of the Company in relation to any meeting or poll (or with respect to any Resolution of Shareholders).

5.15 Where the Default Shares represent at least 0.25 per cent. in nominal value of the issued Shares of their class (calculated exclusive of any Shares held as Treasury Shares), then the Direction Notice may additionally direct that:

- (a) in respect of the Default Shares any dividend or part thereof which would otherwise be payable on such Shares shall be withheld by the Company without any liability to pay interest thereon when such money is finally paid to the Shareholder and the Shareholder is not entitled to receive shares instead of a dividend; and/or
- (b) no transfer of any of the Default Shares shall be recognised or registered by directors unless; (i) the transfer is an Excepted Transfer; or (ii) the Shareholder is not himself in default as regards supplying the requisite information required under this Regulation and, when presented for registration the transfer is accompanied by a certificate by the Shareholder in a form satisfactory to the directors to the effect that after due and careful enquiry the Shareholder is satisfied no person in default in supplying the information required is interested in any of the shares the subject of the transfer; or (iii) registration of the transfer is required by any Relevant System.

(and, for the purpose of ensuring this Sub-Regulation 5.15 can apply to all Shares held by the holder, the Company may, in accordance with the regulations of any Relevant System, issue written notification to the operator of the Relevant System requiring the conversion into certificated form of any Shares held by the holder in uncertificated form).

- 5.16 The sanctions under Sub-Regulations 5.14 and 5.15 shall cease to apply seven days after the earlier of receipt by the Company of:
- (a) notice of registration of an Excepted Transfer, by the notification required by Sub-Regulations 5.9 to 5.11 or in relation to the Default Shares the subject of the Excepted Transfer; and
  - (b) all information required by the notice under Sub-Regulation 5.12 or all information required to be included in the notification required by Sub-Regulations 5.9 to 5.11, as the case may be in a form satisfactory to a director or officer of the Company, in relation to any Default Shares.
- 5.17 Where on the basis of information obtained from a Shareholder in respect of a Share held by him, the Company issues a notice under Sub-Regulation 5.12 to another person, it shall at the same time send a copy of the relevant notice to the Shareholder, but the accidental omission to do so, or the non-receipt by the Shareholder of the copy, does not invalidate or otherwise affect the application of Sub-Regulations 5.13 to 5.14.
- 5.18 Sub-Regulations 5.8 - 5.17 above are in addition to and without prejudice to the Act.

## **6. MORTGAGES AND CHARGES OF SHARES**

- 6.1. Shareholders may mortgage or charge their Shares.
- 6.2. There shall be entered in the register of members at the written request of the Shareholder:
- (a) a statement that the Shares held by him are mortgaged or charged;
  - (b) the name of the mortgagee or chargee; and
  - (c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.
- 6.3. Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:
- (a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or
  - (b) upon evidence satisfactory to the Directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the Directors shall consider necessary or desirable.
- 6.4. Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:
- (a) no transfer of any Share the subject of those particulars shall be effected;
  - (b) the Company may not purchase, redeem or otherwise acquire any such Share; and
  - (c) no replacement certificate shall be issued in respect of such Shares,
- without the written consent of the named mortgagee or chargee.

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## **7. FORFEITURE**

- 7.1. Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note or a contract for future services are deemed to be not fully paid.
- 7.2. A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.
- 7.3. The written notice of call referred to in Sub-Regulation 7.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.
- 7.4. Where a written notice of call has been issued pursuant to Sub-Regulation 7.3 and the requirements of the notice have not been complied with, the Directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.
- 7.5. The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Sub-Regulation 7 and that Shareholder shall be discharged from any further obligation to the Company.

## **8. TRANSFER OF SHARES**

- 8.1. Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company at the office of its registered agent for registration or at any other place as determined by the Board.
- 8.2. The transfer of a Share is effective when the name of the transferee is entered on the register of members.
- 8.3. If the Directors of the Company are satisfied that an instrument of transfer relating to Shares has been signed but that the instrument has been lost or destroyed, they may resolve by Resolution of Directors:
  - (a) to accept such evidence of the transfer of Shares as they consider appropriate; and
  - (b) that the transferee's name should be entered in the register of members notwithstanding the absence of the instrument of transfer.
- 8.4. Subject to the Memorandum, the personal representative of a deceased Shareholder may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

## **9. DIVISION AND COMBINATION OF SHARES**

- 9.1. The Company may by a Resolution of Directors with the prior consent of the Shareholders by way of a Special Resolution:
  - (a) divide its shares, including issued shares, into a larger number of shares; or
  - (b) combine its shares, including issued shares, into a smaller number of shares.
- 9.2. A division or combination of shares, including issued shares, of a class or series shall be for a larger or smaller number, as the case may be, of shares in the same class or series.

- 9.3. The Company shall not divide its shares under subsection 9.1(a) or 9.2 if it would cause the maximum number of shares that the Company is authorised to issue by its Memorandum to be exceeded.
- 9.4. Where shares with par value are divided or combined under this Regulation 9, the aggregate par value of the new shares must be equal to the aggregate par value of the original shares.

## **10. MEETINGS AND CONSENTS OF SHAREHOLDERS**

- 10.1. Subject to Regulation 10.3, the Directors of the Company may convene meetings of the Shareholders at such times and in such manner and places as the Directors consider necessary or desirable. Meetings of Shareholders may be held or participated at by telephone or other electronic means if all Shareholders and/or their proxies and authorised representatives are able to hear each other throughout. Where one or more Shareholders participate in the meeting via electronic means, the meeting shall nonetheless be deemed to be held in the place specified in the notice of meeting sent by the Directors.
- 10.2. Upon the written request of Shareholders entitled to exercise 30 per cent or more of the voting rights in respect of the matter for which the meeting is requested the Directors shall convene a meeting of Shareholders.
- 10.3. An Annual General Meeting shall be held in each year (in addition to any other General Meetings which may be held in that year) and such meeting shall be specified as the Annual General Meeting in the notice calling it. Not more than 15 months shall elapse between the date of one Annual General Meeting and the date of the next. Subject to this Regulation and the Companies Acts, the Annual General Meeting shall be held in the United Kingdom at such time and place in the United Kingdom as the Board shall decide.
- 10.4. All meetings of the Shareholders other than Annual General Meetings are called General Meetings (but unless the context requires otherwise, a General Meeting shall also mean an Annual General Meeting). All General Meetings shall be held at such time and place in the United Kingdom as the Board shall decide.
- 10.5. At least 21 clear days' notice of every Annual General Meeting and of every General Meeting at which it is proposed to pass a Special Resolution and at least 14 clear days' notice of every other General Meeting shall be given to such Shareholders as are, under the Articles or the terms of issue of shares, entitled to receive such notices from the Company and to the Directors. Every notice of meeting shall specify whether the meeting is an Annual General Meeting or an General Meeting, the place, date and time of the meeting, if a meeting is convened to pass a Special Resolution or a Resolution of Shareholders, the intention to propose the resolution as a Special Resolution or a Resolution of Shareholders (as the case may be) and shall state, with reasonable prominence, that a Shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a Shareholder.
- 10.6. Notice shall be given to those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting.
- 10.7. The Directors shall fix as the record date for determining those Shareholders that are entitled to vote at the meeting, such date as they deem appropriate.
- 10.8. In the case of any General Meeting at which business other than routine business (as defined in Regulation 10.12) is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

10.9. Notice of a General Meeting or the Annual General Meeting shall be sent to a person in writing or by using electronic communications to such electronic address as may for the time being be notified by that person to the Company for that purpose or in accordance with the following provisions of this Regulation 10.9.

- (a) Notice of a General Meeting or the Annual General Meeting shall also be treated as sent to a person using electronic communications where:
  - (i) the Company and that person have agreed that notices of General Meetings or the Annual General Meeting required to be given to that person may instead be accessed by him on a website;
  - (ii) the meeting is a meeting to which that agreement applies;
  - (iii) that person is notified, in a manner for the time being agreed between him and the Company for the purpose, of:
    - (A) the publication of the notice on a website;
    - (B) the electronic address of that website; and
    - (C) the place on that website where the notice may be accessed, and how it may be accessed; and
  - (iv) the notice continues to be published on that website throughout the period beginning with the giving of that notification and ending with the conclusion of the meeting,

and a notice treated in accordance with this Regulation as sent to any person is to be treated as so sent at the time of the notification mentioned in Regulation 10.9(a)(iii).

- (b) A notification given for the purposes of Regulation 10.9(a)(iii) must:
  - (i) state that it concerns a notice of a General Meeting or Annual General Meeting sent in accordance with the Articles and the Act;
  - (ii) specify the place, date and time of the meeting; and
  - (iii) state whether the meeting is to be an Annual General Meeting or a General Meeting.
- (c) Nothing in Regulation 10.9 shall invalidate the proceedings of a General Meeting where:
  - (i) any notice that is required to be published as mentioned in Regulation 10.9(a)(iv) is published for a part, but not all, of the period mentioned in that Regulation; and
  - (ii) the failure to publish that notice throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

10.10. A meeting of Shareholders held in contravention of the requirement to give notice is valid if such meeting is called by shorter notice than that specified above if it is so agreed or notice is waived:

- (a) in the case of an Annual General Meeting, by all the Shareholders entitled to attend and vote at the meeting;

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(b) in the case of any General Meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 90 per cent of the votes of the Shares having a right to attend and vote at the meeting.

10.11. The inadvertent failure or the accidental omission of the Directors to send notice of any General Meeting or Annual General Meeting to a Shareholder or the fact that a Shareholder has not received notice, does not invalidate the meeting or, in cases where an invitation to appoint a proxy is inadvertently not sent out with the notice, or in the case of the non-receipt of either an invitation to appoint a proxy or a notice by, any person entitled to receive notice does not invalidate any resolution passed or proceedings held at that meeting.

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

- (a) approving the declaring dividends, where such dividends have been declared by the Directors.;
- (b) receiving and/or adopting the accounts, the reports of the Directors and auditors and other documents required to be attached or annexed to the accounts;
- (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) re-appointing the retiring auditors (unless they were last appointed otherwise than by the Company in General Meeting);
- (e) fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed.

All other business transacted at an Annual General Meeting and all business transacted at a General Meeting other than an Annual General Meeting shall be deemed special.

10.13. A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

10.14. The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

10.15. The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.



[ Name of Company ]

I/We being a Shareholder of the above Company HEREBY APPOINT .....  
..... of ..... or failing him .....  
of ..... to be my/our proxy to vote for me/us at the meeting  
of Shareholders to be held on the ..... day of ....., 20..... and at any  
adjournment thereof.

(Any restrictions on voting to be inserted here.)

Signed this ..... day of ....., 20.....

.....  
Shareholder

- 10.16. The following applies where Shares are jointly owned:
- (a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;
  - (b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and
  - (c) if two or more of the joint owners are present in person or by proxy they must vote as one.
- 10.17. A Shareholder or his proxy shall be deemed to be present at a meeting of Shareholders if he participates by telephone, other electronic means or audio-visual link and all Shareholders participating in the meeting are able to hear each other and the chairman of the meeting shall make appropriate arrangements for such persons to vote on any show of hands or poll as the case may require.
- 10.18. No business shall be transacted at any meeting of the Shareholders unless a quorum is present when the meeting proceeds to business. Two persons entitled to vote, each being a Shareholder or a proxy for a Shareholder, shall be a quorum at any meeting including, without limitation, any adjourned meetings. The absence of a quorum does not prevent the appointment of a chairman in accordance with the Articles, which is not treated as part of the business of the meeting.
- 10.19. If within 15 minutes (or such longer period as the chairman in his absolute discretion may decide) from the time fixed for the start of a meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting, if convened by or on the requisition of Shareholders, shall be dissolved. In any other case it shall stand adjourned to such time and place as the chairman of the meeting may decide not being later than 28 days after the time for which the original meeting was convened.
- 10.20. At an adjourned meeting if a quorum is not present within 15 minutes (or such longer period as the chairman in his absolute discretion may decide) from the time fixed for the start of the meeting or if during the adjourned meeting a quorum ceases to be present the adjourned meeting shall be dissolved.
- 10.21. The Company shall give not less than seven clear days' notice of any meeting adjourned for the lack of a quorum and the notice shall state the quorum requirement.
- 10.22. The chairman of the meeting may, with the consent of the meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn any meeting from time to time and from place to place or for an indefinite period. Without prejudice to any other power which he may have under the Articles or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting

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from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:

- (a) secure the proper and orderly conduct of the meeting; or
- (b) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
- (c) ensure that the business of the meeting is properly dealt with.

10.23. Whenever a meeting is adjourned for 14 days or more or for an indefinite period, at least seven clear days' notice, specifying the place, date and time of the adjourned meeting shall be given as in the case of an original meeting and the general nature of the business to be transacted.

10.24. Except in the circumstances set out in Regulations 10.21 and 10.23 no Shareholder shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

10.25. If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all Shareholders entitled and wishing to attend, the meeting will be duly constituted and its proceedings will be valid if the chairman is satisfied that adequate facilities are available to ensure that a Shareholder who is unable to be accommodated is able:

- (a) to participate in the business for which the meeting has been convened;
- (b) to hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere; and
- (c) to be heard and seen by all other persons present in the same way.

10.26. At every meeting of Shareholders, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.

10.27. The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

10.28. At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.

- 10.29. Subject to the specific provisions contained in this Regulation for the appointment of representatives of Eligible Persons other than individuals the right of any individual to speak for or represent a Shareholder shall be determined by the law of the jurisdiction where, and by the documents by which, the Eligible Person is constituted or derives its existence. In case of doubt, the Directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the Directors may rely and act upon such advice without incurring any liability to any Shareholder or the Company.
- 10.30. Any Eligible Person other than an individual which is a Shareholder may by resolution of its Directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Eligible Person which he represents as that Eligible Person could exercise if it were an individual.
- 10.31. Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.
- 10.32. An action that may be taken by the Shareholders at a meeting may also be taken by a Resolution of Shareholders consented to in writing or by telex, telegram, cable, facsimile or other electronic communication, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Eligible Persons holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

## **11. DIRECTORS**

- 11.1. Subject to the Companies Acts and these Articles, the Company may, by Resolution of Shareholders, appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the Board, but the total number of Directors may not exceed a maximum number fixed in accordance with the Articles.
- 11.2. No person shall be appointed as a Director of the Company unless he has consented in writing to act as a Director.
- 11.3. The minimum number of Directors shall be (1) one and the maximum number shall be twelve (12).
- 11.4. Each Director holds office for the term, if any, fixed by the Resolution of Shareholders or Resolution of Directors appointing him, or until his earlier death, resignation, removal or retirement by rotation. If no term is fixed on the appointment of a Director, the Director serves indefinitely until his earlier death, resignation, removal or retirement by rotation.
- 11.5. A Director may be removed from office,
- (a) with or without cause, by a Resolution of Shareholders passed at a meeting of Shareholders called for the purposes of removing the Director or for purposes including the removal of the Director or by a written resolution passed by a least seventy five per cent of the Shareholders of the Company entitled to vote; or
  - (b) with cause, by a Resolution of Directors passed at a meeting of Directors called for the purpose of removing the Director or for purposes including the removal of the Director.

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- 11.6. A Director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company or from such later date as may be specified in the notice. A Director shall resign forthwith as a Director if he is, or becomes, disqualified from acting as a Director under the Act.
- 11.7. The Board may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the Board, but the total number of Directors may not exceed a maximum number fixed in accordance with the Articles. A Director so appointed shall hold office only until the dissolution of the Annual General Meeting following next after his appointment, unless he is reappointed during the meeting. A Director so retiring shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.
- 11.8. A vacancy in relation to Directors occurs if a Director dies or otherwise ceases to hold office prior to the expiration of his term of office.
- 11.9. Each Director shall retire from office at the third Annual General Meeting after that at which he was last elected, save that at the first Annual General Meeting following the adoption of these Regulations all directors shall retire and, if they so wish, offer themselves up for re-election to the Board.
- 11.10. Subject to the Companies Act and the Articles, the Directors to retire by rotation at the Annual General Meeting in every year shall be in addition to any Director who wishes to retire and not to offer himself for reappointment and any Director to retire under Regulation 11.7.
- 11.11. A Director who retires at an Annual General Meeting, whether by rotation or otherwise, may, if willing to act, be reappointed. If he is not reappointed or deemed reappointed, he may retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.
- 11.12. The Company, at the meeting at which a Director retires by rotation, may fill the vacated office and, if it does not do so, the retiring Director is, if willing, deemed reappointed, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the reappointment of such Director is put to the meeting and lost.
- 11.13. No person other than a Director retiring at the meeting is eligible for appointment or reappointment as a Director at any General Meeting or Annual General Meeting unless he is recommended by the Board for election, or, not less than seven nor more than 42 days before the day fixed for the meeting, notice in writing to the secretary or any Director of the Company at the office of its registered agent for registration or at any other place as determined by the Board executed by a Shareholder qualified to be present and vote at the meeting has been sent of his intention to propose such person for appointment or reappointment, accompanied by notice in writing, executed by the person to be proposed, of his willingness to be appointed or reappointed. The notice from the Shareholder shall give the particulars in respect of that person which would (if he were appointed or reappointed) be required to be included in the Company's register of Directors.
- 11.14. Every resolution of a General Meeting for the appointment or reappointment of a Director shall relate to one named person and a single resolution for the appointment or reappointment of two or more persons as Directors is void.
- 11.15. The Company shall keep a register of Directors containing:
- (a) the names and addresses of the persons who are Directors of the Company;
  - (b) the date on which each person whose name is entered in the register was appointed as a Director of the Company;

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- (c) the date on which each person named as a Director ceased to be a Director of the Company; and
  - (d) such other information as may be prescribed by the Act.

- 11.16. The register of Directors may be kept in any such form as the Directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of Directors.
- 11.17. The Directors may, by a Resolution of Directors, fix the emoluments of Directors with respect to services to be rendered in any capacity to the Company.
- 11.18. A Director is not required to hold a Share as a qualification to office.

## **12. POWERS OF DIRECTORS**

- 12.1. The business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors of the Company. The Directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The Directors may pay all expenses incurred preliminary to and in connection with the incorporation or re-registration of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.
- 12.2. Each Director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each Director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the Director believes to be the best interests of the Company.
- 12.3. If the Company is the wholly owned subsidiary of a holding company, a Director of the Company may, when exercising powers or performing duties as a Director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of the Company.
- 12.4. Any Director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the Directors, with respect to the signing of consents or otherwise.
- 12.5. The continuing Directors may act notwithstanding any vacancy in their body.
- 12.6. The Directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.
- 12.7. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.
- 12.8. For the purposes of Section 175 (*Disposition of assets*) of the Act, the Directors may by Resolution of Directors determine that any sale, transfer, lease, exchange or other disposition is in the usual or regular course of the business carried on by the Company and such determination is, in the absence of fraud, conclusive.

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### **13. PROCEEDINGS OF DIRECTORS**

- 13.1. Any one Director of the Company may call a meeting of the Directors by sending a written notice to each other Director.
- 13.2. The Directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the Directors may determine to be necessary or desirable. Meetings of Directors may be held or participated at by telephone or other electronic means if all Directors present and/or their duly appointed alternates are able to hear each other throughout. Where one or more Directors participate in the meeting via electronic means, the meeting shall nonetheless be deemed to be held in the place specified in the notice of meeting sent by the Directors.
- 13.3. A Director is deemed to be present at a meeting of Directors if he participates by telephone or other electronic means and all Directors participating in the meeting are able to hear each other.
- 13.4. A Director shall be given not less than 3 days' notice of meetings of Directors, but a meeting of Directors held without 3 days' notice having been given to all Directors shall be valid if all the Directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a Director at a meeting shall constitute waiver by that Director. The inadvertent failure to give notice of a meeting to a Director, or the fact that a Director has not received the notice, does not invalidate the meeting.
- 13.5. A Director may by a written instrument appoint an alternate who need not be a Director and the alternate shall be entitled to attend meetings in the absence of the Director who appointed him and to vote or consent in place of the Director until the appointment lapses or is terminated. If a Director retires at any meeting (whether by rotation or otherwise) but is reappointed by the meeting at which such retirement took effect, any appointment made by him under this Regulation which was in force immediately prior to his retirement shall continue to operate after his reappointment as if he had not so retired. The appointment of an alternate Director ceases on the happening of an event which, if he were a Director otherwise appointed, would cause him to vacate office.
- 13.6. A meeting of Directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate 2 Directors.
- 13.7. If the Company has only one Director the provisions herein contained for meetings of Directors do not apply and such sole Director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole Director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.
- 13.8. At meetings of Directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the Directors present shall choose one of their number to be chairman of the meeting.
- 13.9. An action that may be taken by the Directors or a committee of Directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of Directors consented to in writing or by telex, telegram, cable, facsimile or other electronic communication by all Directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more Directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last Director has consented to the resolution by signed counterparts.

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## **14. COMMITTEES**

- 14.1. The Directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more Directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.
- 14.2. The Directors have no power to delegate to a committee of Directors any of the following powers:
- (a) to designate committees of Directors;
  - (b) to delegate powers to a committee of Directors;
  - (c) to appoint Directors;
  - (d) to appoint an agent;
  - (e) to approve a plan of merger, consolidation or arrangement; or
  - (f) to make a declaration of solvency or to approve a liquidation plan.
- 14.3. Sub-Regulations 14.2(a) and 14.2(b) do not prevent a committee of Directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.
- 14.4. The meetings and proceedings of each committee of Directors consisting of 2 or more Directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of Directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.
- 14.5. Where the Directors delegate their powers to a committee of Directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on Directors of the Company under the Act.

## **15. OFFICERS AND AGENTS**

- 15.1. The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.
- 15.2. The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of Directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.
- 15.3. The emoluments of all officers shall be fixed by Resolution of Directors.

- 15.4. The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the Directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.
- 15.5. The Directors may, by a Resolution of Directors, appoint any person, including a person who is a Director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the Directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the matters specified in Sub-Regulation 14.2. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The Directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

## **16. CONFLICT OF INTERESTS**

- 16.1. A Director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other Directors of the Company.
- 16.2. Subject to the Companies Acts and to Regulation 16.1, a Director, notwithstanding his office:
- (a) may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director and on such terms as to remuneration and otherwise as the Board may arrange. Any Director may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for such professional services;
  - (b) may enter into or otherwise be interested in a contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested either in connection with his tenure of an office or place of profit and either as vendor, purchaser or otherwise;
  - (c) may be a member or Director or other officer of or employed by or a party to a contract, transaction, arrangement or proposal with or be otherwise interested in a company promoted by the Company or in which the Company is otherwise interested;
  - (d) unless otherwise agreed, is not liable to account to the Company for any remuneration, profit or other benefit received by him by virtue of such office, employment, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal is avoided on the grounds of any such interest or benefit.
- 16.3. Except as provided in this Regulation, a Director may not vote in respect of any contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he is, to his knowledge, materially interested, directly or indirectly, otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. This prohibition does not apply to any resolution concerning any of the following matters namely:
- (a) the giving to him of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;



- (b) the giving to a third party of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility, in whole or in part, under a guarantee or indemnity or by the giving of security;
- (c) a contract, arrangement, transaction or proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;
- (d) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning any other company in which he is interested directly or indirectly and whether as an officer or shareholder or otherwise (“**relevant company**”), if he is not, directly or indirectly, the holder of or beneficially interested in one per cent or more of a class of equity share capital of the relevant company (calculated exclusive of any shares of that class in that relevant company held as treasury shares) or of the voting rights available to members of the relevant company or able to cause one per cent or more of those voting rights to be cast at his direction (and for the purposes of this Regulation, shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, shares comprised in a trust and in which the Director’s interest is in reversion or is in remainder, if and so long as another person is entitled to receive the income from the trust, and shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder are disregarded);
- (e) a contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or personal pension plan or employees’ share scheme under which he may benefit and which has been approved by or is subject to and conditional on approval by a relevant tax authority for taxation purposes or which does not accord to any Director as such any privilege or benefit not accorded to the employees to whom the scheme or fund relates;
- (f) a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiary undertakings under which the Director benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or benefit not accorded to the employees to whom it relates; or
- (g) a contract, arrangement, transaction or proposal concerning the maintenance or purchase of any insurance policy which the Company is permitted by law to purchase and/or maintain for the benefit of Directors or for the benefit of persons including Directors.

16.4. A Director may not vote or be counted in the quorum on a resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each Director. In such cases each of the Directors concerned (if not otherwise debarred from voting under the Articles) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

16.5. If any question arises at any meeting of the Directors or any committee of Directors as to the materiality of a Director’s interest or as to the entitlement of any Director to vote or be counted in a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in a quorum, the question shall be decided by a resolution of the remaining Directors or committee members present at the meeting and in the case of an equality of votes the chairman (unless he is the Director the

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materiality of whose interest or entitlement to vote is in issue) shall have a second or casting vote which shall be conclusive and binding.

- 16.6. For the purpose of Regulations 16.2 to 16.5, the interest of a person who is connected (within the meaning of Sections 252 and 254 of the UK Act, a copy of which is appended to these Regulations) with a Director is treated as the interest of the Director and, in relation to an alternate Director, the interest of the Director appointing him shall be treated as the interest of the alternate Director in addition to any interest which the alternate Director otherwise has. Regulations 16.2 to 16.6 apply to an alternate Director as if he were a Director otherwise appointed.

## **17. INDEMNIFICATION**

- 17.1. Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:
- (a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a Director of the Company; or
  - (b) is or was, at the request of the Company, serving as a Director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.
- 17.2. The indemnity in Sub-Regulation 17.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.
- 17.3. The decision of the Directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.
- 17.4. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.
- 17.5. The Company may purchase and maintain insurance in relation to any person who is or was a Director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a Director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

## **18. RECORDS**

- 18.1. The Company shall keep a copy of the following documents at the office of its registered agent:
- (a) the Memorandum and the Articles;
  - (b) the register of members, or a copy of the register of members;
  - (c) the register of Directors, or a copy of the register of Directors; and

(d) all notices and other documents filed by the Company with the Registrar of Corporate Affairs in the previous 10 years.

18.2. If the Company maintains only a copy of the register of members or a copy of the register of Directors at the office of its registered agent, it shall:

(a) within 15 days of any change in either register, notify the registered agent in writing of the change; and

(b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of Directors is kept.

18.3. The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the Directors may determine:

(a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders;

(b) minutes of meetings and Resolutions of Directors and committees of Directors; and

(c) an impression of the Seal, if any.

18.4. Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

18.5. The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act (No. 5 of 2001).

## **19. REGISTERS OF CHARGES**

The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company:

(a) the date of creation of the charge;

(b) a short description of the liability secured by the charge;

(c) a short description of the property charged;

(d) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee;

(e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

## **20. SEAL**

The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The Directors shall provide

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

## **21. DISTRIBUTIONS BY WAY OF DIVIDEND**

- 21.1. The Directors of the Company may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.
- 21.2. Dividends may be paid in money, shares, or other property.
- 21.3. Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Sub-Regulation 23.1 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.
- 21.4. No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

## **22. ACCOUNTS AND AUDIT**

- 22.1. The Company shall keep record and underlying documentation that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.
- 22.2. The Company may by Resolution of Shareholders call for the Directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.
- 22.3. The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.
- 22.4. The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by a Resolution of Shareholders.
- 22.5. The auditors may be Shareholders, but no Director or other officer shall be eligible to be an auditor of the Company during their continuance in office.
- 22.6. The remuneration of the auditors of the Company:
  - (a) in the case of auditors appointed by the Directors, may be fixed by Resolution of Directors; and
  - (b) subject to the foregoing, shall be fixed by Resolution of Shareholders or in such manner as the Company may by Resolution of Shareholders determine.
- 22.7. The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:

- (a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and
- (b) all the information and explanations required by the auditors have been obtained.

22.8. The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.

22.9. Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the Directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.

22.10. The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

### **23. NOTICES**

23.1. Any notice, information or written statement to be given by the Company to Shareholders may be given (i) by personal service or (ii) by mail addressed to each Shareholder at the address shown in the register of members or (iii) electronically by email to the last such email address as a Shareholder has provided to the Company.

23.2. Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the Company, at its registered office, or by leaving it with, or by sending it by registered mail to, the registered agent of the Company.

23.3. Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process, information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office or the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

### **24. VOLUNTARY WINDING UP AND DISSOLUTION**

The Company may by a Resolution of Shareholders or by a Resolution of Directors appoint a voluntary liquidator.

### **25. CONTINUATION**

The Company may by a Special Resolution continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

### **26. TAKE-OVER OFFERS FOR THE COMPANY**

26.1 (a) Where any person is or becomes interested, whether as a result of transactions over a period of time or not, in shares in the Capital of the Company in circumstances in which he would be obliged to make or extend an offer or offers to Shareholders or holders of other securities or rights referred to in Regulation 26.4 below of the Company under the Rules for the time being of The City Code on Takeovers and Mergers of the United Kingdom (the "**City Code**", which expression shall include any revision or modification thereof) issued by the Panel on Take-

overs and Mergers ("**the Panel**", which expression shall include any body which succeeds to the functions of the said Panel) if the Company was a company incorporated in the United Kingdom to which the City Code applied, the Directors may serve upon that person a notice requiring him to make or extend an offer or offers in writing in accordance with the requirements of the City Code in all respects as if the City Code did apply to the Company but so that references in the City Code to the Panel shall be construed, for the purposes of Regulation 26.1 as if they were references to the Board.

- (b) The provisions of the Articles relating to the protection of purchasers of shares sold under a lien or upon forfeiture shall apply *mutatis mutandis* to disposals under Regulation 26.

- 26.2 Any notice served under Regulation 26.1 may also require the person on whom it is served to execute an undertaking under seal in favour of the Directors (as trustees for all the holders of shares in the capital of the Company) and in a form satisfactory to the Directors to observe and perform the rules and requirements of the City Code as if the same were applicable to the Company and in the manner prescribed in Regulation 26.1.
- 26.3 Where any person is interested, whether as a result of series of transactions over a period of time or not, in shares which (taken together with shares held or acquired by persons acting in concert with him) represent 30 per cent or more of all the shares for the time being in issue and the Directors determine that it is not expedient to serve a notice under sub-Regulation 26.1(a) or if any person upon whom such a notice is served fails within thirty days to comply with the same, the Directors may serve upon that person a notice requiring him to make an offer in writing (the "**Offer**"), within 30 days of the date of such notice on the basis set out in the following paragraphs, to the holders of every class of share capital of the Company (whether voting or non-voting) to purchase all such shares for cash on terms that payment in full therefor will be made within 21 days of the Offer becoming or being declared unconditional in all respects. 26.4 Where the Directors serve a notice upon any person in accordance with sub-Regulation 26.3, they may also include in that notice a requirement that such person shall make an appropriate offer or proposal in writing to the holders of every class of securities convertible into, or of rights to subscribe for, share capital of the Company (whether such share capital is voting or non-voting). Such appropriate offer or proposal is referred to in Regulation 26 as a "**Convertible Offer**". The Convertible Offer shall be made at the same time as the Offer. The terms of the Convertible Offer shall be such terms as the Directors, in their absolute discretion, consider to be fair and reasonable having regard to the terms of the Offer and the Directors shall notify such terms to the person specified in sub-Regulation 26.3 (the "**Offeror**"). The Convertible Offer shall be conditional only upon the Offer becoming or being declared unconditional in all respects.
- 26.4 In addition to the Offeror, the Directors may require, in their absolute discretion, each of the principal members of a group of persons acting in concert with him and who appear to be interested in any shares in, or convertible securities of, the Company to make the Offer and/or the Convertible Offer. For the purposes of this Regulation, persons shall be deemed to be acting in concert if, pursuant to an agreement or understanding (whether formal or informal) they actively co-operate in acquiring or seeking to acquire shares in, or convertible securities of, the Company.
- 26.5 Unless the Directors otherwise agree, an offer made under sub-Regulations 26.3, 26.4 or 26.5 must, in respect of each class of share capital or convertible securities involved, be in cash or be accompanied by a cash alternative offer at not less than the highest price paid by the Offeror or any person acting in concert with it for shares or convertible securities of that class within the preceding 12 months. If such price cannot be ascertained by the Directors or if such shares or convertible securities have been acquired other than for cash pursuant to a bargain made on any recognised stock exchange or if the Directors consider that such highest price is, for any reason, inappropriate, unfair or unreasonable having regard to the size and timing of the relevant purchases, the relationship (if any) between the seller and purchaser of such shares or convertible securities or the number of shares or convertible

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securities purchased in the preceding 12 months, the Directors may, in any such case, fix the price at which the Offer, the Convertible Offer or the cash alternative offer is to be made. The cash Offer, the cash Convertible Offer or the cash alternative offer must, in each case, remain open for not less than 14 days after the date on which the Offer or the Convertible Offer, as the case may be, has become or is declared to be unconditional as to acceptances.

- 26.6 Any person who makes or is about to make or who is or can be required to make an Offer (and, if relevant, a Convertible Offer) under Regulation 26.3, 26.4 or 26.5 or who has made such an offer which has lapsed, shall observe and shall procure that any persons acting in concert with him shall observe the rules and requirements of the City Code both in letter and in spirit prior to, during the pursuit of and, if applicable, after the failure of such an offer.
- 26.7 For the purposes of Regulation 26, subject to sub-Regulations 26.9 to 26.12 any questions or disputes arising out of the grant of consent by the Directors, to comparability of offers, the terms of offers, any question as to whether any person shall be regarded as acting in concert with another, any question regarding the interpretation or application of the City Code and the meaning of any terms or phrases used in Regulation 26 or the City Code shall be determined by the Directors in their absolute discretion.
- 26.8 For the purposes of Regulation 26, a person is taken to be interested in any shares in which his spouse or any infant child or stepchild of his is interested;
- 26.9 For the purposes, a person is taken to be interested in shares if a body corporate is interested in them and:-
- (a) that body or its Directors are accustomed to act in accordance with his directions or instructions, or
  - (b) he is entitled to exercise or control the exercise of one-third or more of the voting power at General Meetings of that body corporate.
- 26.10 Where a person is entitled to exercise or control the exercise of one-third or more of the voting power at General Meetings of a body corporate and that body corporate is entitled to exercise or control the exercise of any of the voting power at General Meetings of another body corporate ("the effective voting power") then, for purposes of sub-Regulation 26.10(b), the effective voting power is taken as exercisable by that person.
- 26.11 For purposes of sub-Regulations 26.10 and 26.11, a person is entitled to exercise or control the exercise of voting power if-
- (a) he has a right (whether subject to conditions or not) the exercise of which would make him so entitled, or
  - (b) he is under an obligation (whether or not so subject) the fulfilment of which would make him so entitled.
- 26.12 The provisions of Regulations 26.1 to 26.12 inclusive shall not apply to a merger or other transaction the terms of which have been approved by a Special Resolution.

## **27 DISAPPLICATION OF THE ACT**

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27.1 The following sections of the Act shall not apply to the Company:

- (a) section 46 (Pre-emptive rights);
- (b) section 60 (Process for acquisition of own shares);
- (c) section 61 (Offer to one or more shareholders);
- (d) section 62 (Shares redeemed otherwise than at the option of company); and
- (e) section 175 (Disposition of assets).

We, Appleby Corporate Services (BVI) Limited of Palm Grove House, Road Town, Tortola, British Virgin Islands for the purpose of continuing the Company as a BVI Business Company under the laws of the British Virgin Islands hereby sign these Articles of Association on behalf of the shareholders of the Company this ..... day of ....., 2018.

.....

Sgd.

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Name .....

Authorised Signatory

Appleby Corporate Services (BVI) Limited



**ANNEXURES**  
**Sections of the UK Act incorporated into the Articles of Association of**  
**ALIEN METALS LIMITED**

**All terms utilised below shall have the meanings ascribed to them under the UK Act and references to Schedules shall be to Schedules of the UK Act.**

**252 Persons connected with a director**

(1) This section defines what is meant by references in this Part to a person being “connected” with a director of a company (or a director being “connected” with a person).

(2) The following persons (and only those persons) are connected with a director of a company—

(a) members of the director's family (see section 253);

(b) a body corporate with which the director is connected (as defined in section 254);

(c) a person acting in his capacity as trustee of a trust—

(i) the beneficiaries of which include the director or a person who by virtue of paragraph (a) or

(b) is connected with him, or

(ii) the terms of which confer a power on the trustees that may be exercised for the benefit of the director or any such person,

other than a trust for the purposes of an employees' share scheme or a pension scheme;

(d) a person acting in his capacity as partner—

(i) of the director, or

(ii) of a person who, by virtue of paragraph (a), (b) or (c), is connected with that director;

(e) a firm that is a legal person under the law by which it is governed and in which—

(i) the director is a partner,

(ii) a partner is a person who, by virtue of paragraph (a), (b) or (c) is connected with the director, or

(iii) a partner is a firm in which the director is a partner or in which there is a partner who, by virtue of paragraph (a), (b) or (c), is connected with the director.

(3) References in this Part to a person connected with a director of a company do not include a person who is himself a director of the company.

**254 Director “connected with” a body corporate**

(1) This section defines what is meant by references in this Part to a director being “connected with” a body corporate.

(2) A director is connected with a body corporate if, but only if, he and the persons connected with him together—

(a) are interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least 20% of that share capital, or

(b) are entitled to exercise or control the exercise of more than 20% of the voting power at any general meeting of that body.

(3) The rules set out in Schedule 1 (references to interest in shares or debentures) apply for the purposes of this section.

(4) References in this section to voting power the exercise of which is controlled by a director include voting power whose exercise is controlled by a body corporate controlled by him.

(5) Shares in a company held as treasury shares, and any voting rights attached to such shares, are disregarded for the purposes of this section.

(6) For the avoidance of circularity in the application of section 252 (meaning of “connected person”) —

(a) a body corporate with which a director is connected is not treated for the purposes of this section as connected with him unless it is also connected with him by virtue of subsection (2)(c) or (d) of that section (connection as trustee or partner); and

(b) a trustee of a trust the beneficiaries of which include (or may include) a body corporate with which a director is connected is not treated for the purposes of this section as connected with a director by reason only of that fact.