

ARTICLES OF ASSOCIATION

OF

**ORIENT FINANCIAL SERVICES
CORPORATION LIMITED**

PRELIMINARY

1. The Model Articles contained in the First Schedule to the Companies Act No.7 of 2007, shall not apply to the Company which shall be governed by the regulations contained in these Articles of Association subject however to repeal, alteration or addition by Special Resolution. Notwithstanding anything to the contrary, in the event of there being any conflict in the provisions contained herein and the substantive provisions of the law as set out in the Companies Act aforesaid or in the event of these Articles being silent on any matter, the provisions if any, in the said Companies Act in relation thereto, shall apply to the Company. First Schedule not to apply.

2. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof. Interpretation

WORDS

MEANINGS

The Company	“Orient Financial Services Corporation Limited”
The Act	The Companies Act No.7 of 2007, all amendments thereto including all regulations made there under and every other Act or Ordinance for the time being in force concerning Finance Companies.
These presents	These Articles of Association, as originally framed, or as from time to time altered by Special Resolution.
Special Resolution and Extraordinary Resolution	Have the meanings assigned thereto respectively by the Act.
The Directors	The Directors of the Company for the time being acting in conformity with these Articles and shall where the context so admits or requires include an Alternate Director.
Board	The Directors of the Company acting collectively at Meetings of Directors properly convened and constituted and shall include a reference to “the Directors”.
Shareholder	The shareholders of the Company for the time being and from time to time.
Office	The Registered Office of the Company.
Seal	The Common Seal of the Company.
Secretary	Any person or Company appointed to perform the duties of the Secretary of the Company.
Month	Calendar month
Year	Calendar year
In writing	Written or produced by any substitute for writing, or partly one and partly another.
Dividend	Has the meaning assigned thereto by the Act.
Debenture	Debenture and/or Debenture Stock.
Debenture holder	Debenture holder and/or Debenture stock-holder.

Paid up

Paid-up or credited as paid up.

The expressions 'debenture' and 'debenture-holder' shall include 'debenture-stock' and 'debenture-stockholder' and the expression 'Secretary' shall include any person, firm or company appointed by the Directors to perform any of the duties of the Secretary.

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

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

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

OBJECTS

3. The objects of the Company are –
 1. To carry on finance business in conformity with the provisions of the Finance Business Act, No.42 of 2011 as amended from time to time being in force and all regulations, directions, determinations, rules, orders or requirements made, given or imposed there under.
 2. To carry on finance leasing business in conformity with provisions of the Finance Leasing Act No 56 of 2000 as amended from time to time and in conformity with provisions of all written laws for the time being in force and all regulations, directions, determinations, rules, orders, requirements made, given or imposed there under.
 3. To carry on the business as financiers, investors and promoters of companies, to form constitute, lend money to assist and control any companies, associations or undertakings and to invest the capital and other moneys of the company in the purchase of or upon the security of shares, stocks, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or, undertaking of whatever natures and shares, stocks, debenture, bonds, commodity and financial or guaranteed by any other securities issued or guaranteed by any government or other authority and to execute business or micro finance, margin trading, fares (money transfer) subject to obtaining to obtaining necessary licenses and approval.
 4. To receive monies, securities and valuable of all kind on deposit or safe custody, to advance, deposit or lend and to accept advances, deposits and loans of money, security and on such terms as may seem expedient and to carry on the business of buying, selling, dealing, and discounting in treasury bills call and term deposits, bank bills, trade bill, bills of exchange

certificates of deposit, short term gilts and securities, and any other financial and security instruments and to engage in mercantile and monetary transactions of all kinds.

5. To finance or assist in financing the sale of goods, articles or commodities of all and every kind and description by way of lease, hire, purposes to import, buy, sell, exchange, pledge, make advances upon and otherwise deal in vehicles, machinery, equipment, goods, produce and merchandise of all kinds and to institute, enter into, carry on subsidies, finance or assist in subsidizing or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever to acquire and discount hire purchase or other agreements or any rights there under and to undertake the provision of hire purchase and credit sales, finance and factory of invoices.
6. To accept and undertake the office of and act as trustees of any kind of trust whatsoever and to undertake, execute and transact all kinds of trusteeship and agency business on such terms as may be thought fit and to undertake the office of and act as executors, administrator, manager, agent or attorney of or for any person of other authority and generally to undertake, perform and discharge any trusts, trust agency and other office or position of trust or confidence.
7. To transact all kinds of agency on investment business and in particular to collect monies, debts and rents, to negotiate loans and facilities to find investments and deposit of investments, to find and dispose of investments to underwrite and to issue and place shares, stocks, debentures and other securities.
8. The objects set forth in any sub-clause of this clause shall not except when the content expressly so requires be in any way limited or restricted by reference to or inference from the terms of any other sub-clause, or by the name of the company. None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed merely subsidiary or auxiliary to the objects mentioned in any other sub clause of this clause, but the company shall have power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business undertaking, performed do not fall within the objects of other sub-clause of this clause.
9. To advance, deposit or lend and to accept advance, deposits and loans of money, securities or property to, with or form terms as may seem expedient and to discount, buy, sell, and deal in bills, notes, warrants, coupons and other negotiable or transferable securities or documents.
10. To guarantee or become liable for the payment of money or for the performance of any obligations by any other company, firm or person and, to give any kind of security for the payment of such obligation by such other

company, firm or person and generally, to transact all kinds of guarantee business and for the aforesaid purpose, to enter into any contract of suretyship, either alone or with co-sureties, and in any such contract, to waive all or any of the privileges to which sureties are by law entitled and, to secure , if necessary, any obligation or obligations undertaken by the Company as guarantor or co-guarantor by mortgage, charge, assignment or otherwise of the whole or any part of the undertaking, property, assets or revenue of the Company, present or future, including its uncalled capital.

11. To act as agents for the investment, loan payment, transmission and collection of money and for the purchase, sale, improvement, development and management of property including business concerns and undertaking and generally to transact and undertake all kinds of agency business whether in respect of agricultural commercial or representative or agents of insurers and underwriters.
12. To carry on business as financiers, concessionaires and merchants and to undertake and execute all kinds of financial, commercial, trading and other operations and to carry on any other business which may seem capable of being conveniently carried on in connection with any of these objects or calculated directly or indirectly to enhance the value of the company's property or rights.
13. To purchase or otherwise acquire and sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and to deal with property and right of all kinds, and in particular, mortgages, debentures, produce, contracts, patents, annuities, stocks, shares, bonds, policies, book debts, business concerns, undertakings and claims, and choses in action of all kinds.
14. To engage in the business of hire purchase service, lease, factoring and to carry on, subscribe, finance or assist in subsidizing or financing the sale and maintenance of any goods, articles of all and every kind and description.
15. To seek for and secure openings for the employment of capital and to acquire any concessions, grants, decrees or privileges whatsoever which may seem to the Company capable of being turned to account, and to work, develop, carry out, exercise and to account the same.
16. To carry on the business of real estate, to construct, develop, alter, improve, decorate, furnish and maintain houses, offices, shops, factories, warehouses, flats, buildings, works and conveniences of all kinds necessary for housing projects and to sell, exchange, lease or rent-out or dispose of the same in such manner as may be thought desirable and in particular but without prejudice to the generality of the foregoing, buying, selling or hiring the same to any person, firm or company on a rent, purchase scheme and on such terms and conditions as may be thought fit.

17. To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, and any real or personal property of any kind necessary or convenient for the purpose of or in connection with the Company's business or any branch or department thereof.
18. To borrow, raise or secure the payment of money for the purpose of or in connection with Company's business.
19. To mortgage and charge the undertaking and all or any of the real and personal property, and assets, present or future, and all or any of the uncalled capital for the time being of the Company and to issue at a premium or subject to the provisions of Act at a discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture-stock, either permanent to redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
20. To issue and deposit any securities which the company has power to issue by way of mortgage to secure any sum less the nominal amount of such securities and also by way of security for the performance of any contracts or obligations of the performance of any contracts or obligation of the Company or of its customers or other personal or corporations having dealing with the Company or in whose business or undertakings the Company is interested, whether directly or indirectly.
21. To carry on the business of pawn brokering and to undertake, execute, negotiate and transact all description of business as produce brokers, share exchange, property and general brokers, auctioneers, commission and general agents with the consent of the relevant authorities.
22. To invite and deal with the moneys of the Company not immediately required for the purpose of its business in or upon such investments or securities and in such manner as may from time to time be determined.
23. To deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
24. To amalgamate with any other Company whose objects are or include objects similar to those of this Company whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this any such other Company aforesaid with or without winding-up, or by sale or purchase (for fully or partly-paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership or any arrangement of the nature of partnership or in any other manner.

25. To undertake and execute any trusts the undertaking whereof may seem desirable and either gratuitously or otherwise.
26. To appoint, engage, employ, maintain, provide for and dismiss attorneys, agents, superintendents, managers, clerks, laborers and servants in Sri Lanka or elsewhere and to remunerate any such at such rate and in such manner as shall be thought fit.
27. To do all or any of the above thing in any of the past of the world and either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others and either by or thought agents, sub-contractors, trustees or otherwise.
28. To accept deposit and receive loans advances from any person or Company with or without security and to give security for the property movable or immovable or other asset whatsoever of the Company present or future.
29. To act as secretaries and managing agents of any person or company carrying on business or owning property or estates of any kind in Sri Lanka or elsewhere and to act as agents for the investment, loan, payment, transmission and collection of money and for the purchase, sale and improvement, development and management of property including business concerns and undertaking and generally to transact all kinds of agency business whether in respect of agricultural, industrial, commercial or financial matters.
30. To open accounts in Banks and to draw, accept, endorse or negotiate cheques, promissory notes, bills of exchange and other negotiable instruments.
31. To carry on business in Sri Lanka as importers and exporters intending agents, ship chandeliers, tally contractors, sellers and distributors, wholesale and/or retail, whether on commission or otherwise, howsoever, and such purpose to establish and maintain contact with trade chambers, traders and merchants, whether wholesale and/ or retail, throughout the Island and abroad so that consumer goods of every variety and description generally required for the comfort and well being description generally will be made available.
32. To carry on the business of brokers, auctioneers, house, property and estate, general manufacturers, and to manufacture, buy, sell and deal in apparatus, equipment, machinery, materials and articles of various kinds.
33. To acquire and undertake the whole or any part of the business, property and liabilities of any person, Company carrying on or property to carry on any business which the Company is authorized to carry on or possessed of property suitable for the purpose of the Company or which is capable of being conducted so as directly or indirectly to benefit the company.

34. To subscribe for, take or otherwise acquire and hold shares, stock debenture or other securities of any other company.
35. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all, or any of the part of the property and rights of the Company.
36. To act as agents and/or secretaries for any individual, firm or company, whether registered in Sri Lanka or abroad.
37. To carry on the business of commission agents, sellers and dealers in everyway of mortar vehicles, agricultural machinery and of all accessories and spare parts whatsoever.
38. To undertake the business of sole agents and/or distributors for any local or foreign company.
39. To pay all expenses incidental to the formation or promotion of this or any other company and to remunerate any person or company for the services or to be rendered.
40. To process, dress, refine, manipulate and prepare for market, mineral substances of all kinds, precious stones and to carry other metallurgical operations which may seem, conducive to any of the company's objects.
41. To purchase, take on lease or otherwise acquire any mines, mining rights and metalliferous land in the Republic of Sri Lanka or elsewhere and any interest therein and to explore, work, exercise, develop and turn to account the same.
42. To buy, sell, manufacture and deal in minerals, plant, machinery, implements, convenience, provisions, and other thing capable of being used in connection with metallurgical operations.
43. To buy, sell, import, export and deal in bullion, specie, coin, precious stones and gems.
44. To employ experts to investigate and examine into the condition, prospects, value, character and circumstances of any business, concerns and undertaking and generally of any assets, property or rights.
45. To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.
46. To carry on any other business whatsoever which can, in the opinion of the Board of Directors, be advantageously carried on by the Company in connection with or as ancillary to any of the businesses or the general

business of the company.

47. Subject to the provisions of any written law of Sri Lanka or of any other country, the Company shall have both within and outside Sri Lanka, all the rights, powers and privileges necessary for purpose of article 3.

48. To do all such other things as are or conducive to the above or any of them.

CAPITAL

4. The Board may resolve to increase such capital from time to time by the creation and issue of new shares (including different classes of shares which confer rights other than those set out in Article 5 hereof) at such consideration and on such terms and conditions and whether redeemable or otherwise and with or without a right of preference whether in respect of dividend or repayment of capital, voting or otherwise or such other special, limited or conditional rights (including the conferring of no voting rights) or with such deferred rights to the original or other shares of the Company as the Board may by the resolution sanctioning the increase determine and fully set out in the Terms of Issue in relation to such new shares of the Company. Power to Increase the Stated Capital
- 5.(1) Subject to the provisions of the Act, any Preference Shares may be issued on the terms that they are, or at the option of the Company are to be liable to be redeemed on such terms and in such manner as the Company may by Special Resolution prescribe. Issue of Preference Shares
- (2) Whenever the capital, by reason of the issue of Preference Shares or otherwise is divided into different class of shares, all or any of the rights and privileges attached to each class may be modified by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is confirmed by an Extraordinary Resolution passed at a separate General Meeting of the holders of shares of that class, and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such meeting but so that the quorum thereof shall be two persons at least holding or representing by proxy more than 50% of shares of that class.
- 6.(1) Prior to the issue of any shares as provided for in these presents, the Board shall decide on the consideration at which a share shall be issued which consideration shall, in its opinion, be fair and reasonable to the Company and all existing Shareholders. Consideration
- (ii) The consideration for which a share is issued may take such form or a combination of such forms, including-
- (a) Cash
 - (b) Promissory Notes
 - (c) Future services
 - (d) Property of any kind; or
 - (e) Other securities of the Company

7. Unless otherwise determined by the Terms of Issue of such shares, the Company's Shares shall confer on the holder thereof- Rights conferred by Shares
- The right to one vote on a poll at a meeting of the Company on any resolution;
- (a) The right to an equal share in dividends paid by the Company;
- (b) The right to an equal share in the distribution of the surplus assets of the Company on liquidation
8. The Terms of Issue referred to in these presents shall be- Terms of Issue
- (a) consistent with the provisions of these presents (and be invalid and of no effect to the extent that they are not so consistent); and
- (b) deemed to form part of the Articles of Association of the Company and be amended in accordance with Section 15 of the Act.

SHARES

9. The Shares created as aforesaid shall be at the disposal of the Board, and subject to the provisions of Article 9 thereof and such other applicable provisions of the Act or these presents as hereinafter set out, the Board may allot, grant options over or otherwise dispose of them to such persons as they think proper. Shares at the disposal of the Board
10. Notwithstanding anything to the contrary, unless approved by a Special Resolution of the relevant interest group, the Directors shall in the issue of shares which rank equally with or above existing Shares in relation to voting or distribution rights, first offer such shares to the holders of the existing shares (being the relevant interest group) in such manner as would, if the offer was accepted (fractions being ignored), maintain the relative voting and distribution rights of those shareholders. Interest Group
- 11.(1) The Company may purchase or otherwise acquire any of its own shares in accordance with the provisions of sections 64 or 67 of the Act or otherwise in accordance with the terms of an order of court made pursuant to the provisions of the Act. Power to acquire own shares
- (2) The Company shall however not give any financial assistance directly or indirectly, for the purpose of or in connection with the acquisition of its own shares other than in accordance with the provisions of sections 70 and 71 of the Act and other applicable statutory regulations.
12. The Company may redeem a share in accordance with the provisions of the Act, which by the terms of issue thereof, is a redeemable share. Power to redeem shares
- 13.(1) The Company may, subject to and in accordance with the provisions of the Power to consolidate shares

rules and regulations in force for the time being and from time to time, of a licensed Stock Exchange:

- a) Consolidate all or any of its shares issued at the time, with the objective of reducing the number of shares in issue;
 - b) Sub-divide (split) all or any of its shares issued at the time, with the objective of increasing the number of shares in issue.
- (2) The Company may by Special Resolution reduce its capital in such manner as authorized by the Act.
14. The Company may, subject to the provisions of the Act, pay a commission to any person subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company but so that, if the commission shall be paid or be payable out of capital, the statutory conditions and requirements if any in relation thereto, shall be observed and complied with and the commission shall not exceed ten percent of the value of the shares in each case subscribed or to be subscribed. Such commission may be satisfied in whole or in part by the allotment (if so agreed) of fully or partly paid shares. The Company may also on any issue of shares pay such brokerage as may by lawful.

Power to pay commission and brokerage

VARIATION OF RIGHTS

15. Whenever the shares of the Company are divided into different classes, the special rights attached to any class may subject to the provisions of the Act be varied or abrogated only with the sanction of a Special Resolution passed at a separate General Meeting of the holders of such shares (but not otherwise), and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a Winding Up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company or to the proceedings thereat, shall mutatis mutandis apply.
16. Except as required by law or otherwise permitted by the Act, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognize any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these presents provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

Variation of special rights of issued shares

General Meeting of holders of a class of shares

Exclusion of equities

CERTIFICATES

- 17.(1) Every person whose name is entered as a member in the Register of Members

Issue of Certificates

shall be entitled without payment to receive within two months after allotment or transfer one certificate for all his shares of any one class or upon payment of such sum, for every certificate after the first as the Board shall from time to time determine, several certificates, each for one or more of his shares of any one class. Where a member transfers part only of the shares comprised in a certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge. Every certificate shall be issued under the seal and shall bear the signatures of at least of one Director and the Secretary, or such other person as be authorized by the Board shall specify the shares to which it relates and the amount paid up thereon. Provided that the Company shall not be bound to register more than three persons as the joint-holders (including the principal holder of any shares except in the case of executors or trustees of a deceased member) and in the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate authorize and delivery of a certificate to one of such persons or his duly authorized representatives shall be sufficient delivery to all.

- (2) Provided further that where the Board so resolve any one or both the signatures in witness of the Seal upon share or debenture certificates issued by the Company according to the provisions of these Articles may with the approval and subject to the control of the auditors or bankers of the Company be in the form of an autographic signature stamped or printed or impressed thereon.
18. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of such fee (if any), and on such terms (if any), as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in investigating evidence as the Board think fit.

Renewal of
certificates

CALLS ON SHARES

19. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares and not by the terms of issue thereof made payable at fixed times, provided that no call on any share shall exceed one-fourth of the consideration payable on the share or be payable at less than one month from the date fixed for the payment of the last preceding call and each Member shall (subject to at least twenty days' notice being given specifying the time or times and place of payment) pay to the Company at the time or times specified, the amount called on his shares. A call may be revoked or postponed as the Directors may determine.
20. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed and may be made payable by installments.
21. The joint-holders of a share shall be jointly and severally liable to pay all

Calls

Time when made

Liability of Joint-

- calls in respect thereof. holders
22. If a sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate as the Directors may determine at the time of issue of such shares, but the Directors shall be at liberty to waive payment of such interest wholly or in part. Interest on Calls
23. Any sum which by the terms of issue of a share becomes payable upon allotment, or at any fixed date, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Sum due on allotment to be treated as calls
24. The Directors may subject to the provisions of the Act and these presents, on the issue of shares, differentiate between the holders as to the amount of calls to be paid, and the time of payment. Power to differentiate
25. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made in respect of the moneys paid in advance of calls, on so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate as the Member paying such sum and the Directors agree upon. Payment in advance of calls

FORFEITURE AND LIEN

26. If a Member fails to pay in full any call or installment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest and expenses which may have accrued. Notice requiring payment of calls
27. The notice shall name a further day (not being less than twenty eight days from the date of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that in the event of non-payment in accordance therewith, the shares on which the call was made will be liable to be forfeited. Notice to state time and place for payment
28. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter (before payment of all calls and interest and expenses due in Forfeiture on non-compliance with notice

- respect thereof has been made), be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder. Surrender in lieu of forfeiture
29. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorize some person to transfer a forfeited or surrendered share to any such other person as aforesaid. Sales of shares forfeited or surrendered
30. A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares, with interest thereon at such rate the Directors may approve from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part. Liabilities of members whose shares have been forfeited or surrendered
31. The Company shall have a first and paramount lien on every share not being a fully paid share for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such Member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends payable thereon. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this Article. Company's lien
32. The Company may sell such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of twenty eight days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been given to the holder for the being of the share or the person entitled thereto by reason of his death or bankruptcy. Sale of shares subject to lien
33. The net proceeds of such sale after payment of the costs of such sale shall be Application of proceeds of such sale

applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorize some person to transfer the shares sold to the purchaser.

34. A declaration in writing under oath or affirmation that the declarant is a Director of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate of proprietorship of the share under seal delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share. Title to shares forfeited or surrendered or sold to satisfy a lien
35. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. Forfeiture for non-payment of instalments

TRANSFER OF SHARES

36. Subject to such of the restrictions in these presents as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the Directors may approve and may be under hand only. Form of transfer
37. The instrument of transfer of a share shall be signed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof. Execution
38. The Directors may, in their absolute discretion, and without assigning any reason authorize, decline to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve, and they may also decline to register any transfer of shares (not being fully paid shares) on which the Company has a lien. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was sent to Directors power to refuse registration

the transferee notice of the refusal.

39. All instruments of transfer which shall be registered shall be retained by the Company. Deposit of transfer

REGISTRATION OF TRANSFERS

40. The Directors may by such means as they shall deem expedient authorize the registration of transfers or transmissions of shares without the necessity of any meeting of the Directors for that purpose. Registration without meeting
41. The Company may after notice published in the Gazette and in any newspaper circulating in the district of Colombo, suspend the registration of transfers and close the Register of Members for such period as the Directors may from time to time determine, provided always that such registration shall not be suspended or the Register of Members closed for more than thirty working days in any year. Suspension of registration
42. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the Register of Members affecting the title to any share, such fee, as the Directors may from time to time require or prescribe. Fee for registration of probate
43. Nothing herein contained shall preclude the Directors from recognizing a renunciation of the allotment of any share by the allotted thereof in favour of some other person. Renunciation of allotment

TRANSMISSION OF SHARES

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

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

Rights of
unregistered
executors, etc.

47. If and when shares are listed on the Colombo Stock Exchange, the Company shall comply with the (applicable) Rules (Listing or otherwise) of the Colombo Stock Exchange and of the Securities and Exchange Commission.

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

(2) Notwithstanding anything to the contrary in these Articles, so long as the shares of the Company are listed on the Colombo Stock Exchange, the board may register without assuming any liability authorize any transfer of shares which is in accordance with the rules and regulations in force for the time being and from time to time as laid down by the Colombo Stock Exchange and / or by the Central Depository of the Colombo Stock Exchange.

GENERAL MEETINGS

48. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held not later than six months after the Balance Sheet date of the Company and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall decide.

General Meetings

All General Meetings other than the Annual General Meetings shall be called Extraordinary General Meetings. The Directors may whenever they think fit, convene an Extraordinary General Meeting.

Annual/Extraordinary
General Meetings

NOTICE OF GENERAL MEETINGS

49.(1) An Annual General Meeting and any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Act) a resolution of which special notice has been given to the Company, shall be called by fifteen working days notice in writing at the least and any other General Meeting by ten working days notice in writing at the least, (exclusive in either case of the days on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to such Members as are under the provisions of these presents entitled to receive such notice from the Company and to the Auditors. Notice

Provided that a General Meeting notwithstanding that it has been called by shorter notice than that specified above shall be deemed to have been duly called if it is agreed –

- (i) In the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- (ii) In the case of any other meeting, by the members having the right to attend and vote at the meeting, being members together holding shares which carry not less than ninety-five per centum of the voting rights, on each issue to be considered and voted on at that meeting.

(2) Notice of every General Meeting shall be given in any manner herein authorized to –

Serving of notices to every member, auditors etc.

- (a) every Member except those Members who (having no registered address within Sri Lanka) have not supplied to the Company an address within Sri Lanka for the giving of Notices to them;
- (b) every person upon whom the ownership of a share devolves by reason of his being a legal representative or a trustee in bankruptcy or insolvency of a Member where the Member but for his death or bankruptcy would be entitled to receive Notice of the meeting;
- (c) the auditors for the time being of the Company.

No other person shall be entitled to receive Notices of General Meetings. The accidental omission to give Notice to, or the non-receipt of Notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

Omission or non-receipt of notice

- 50.(1) Every notice calling a General Meeting shall specify the place and the day and hour of the Meeting, and there shall appear with reasonable prominence in every such Notice a statement that a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies, to attend and vote instead of him and that a proxy need not be a Member of the Company. Contents of notice
- (2) In the case of an Annual General Meeting of the Company the notice shall also specify the meeting as such.
- (3) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of the business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.
51. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say- Routine business
- (a) Considering the Balance Sheet, the Report on the Affairs of the Company and Auditors, and other accounts and documents required to be annexed to the Balance sheet;
- (b) Appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed;
- (c) Electing Directors in place of those retiring by rotation or otherwise.
52. Where by any provision contained in the Act special notice is required of a resolution the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such shorter period as the Act permits) before the meeting at which it is moved, and the Company shall give to the Members notice of any such resolution as required by and in accordance with the provisions of the Act. Special Notice requiring of a resolution
53. The Directors shall on the requisition of Members holding (at the date of deposit of the requisition) shares which carry not less than ten percentum of the votes which may be cast on an issue, and upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting of the Company to consider and vote on that issue in accordance with the provisions of section 134 of the Act in relation thereto. Requisition of an Extraordinary General Meeting

54. (1) A resolution in writing signed by not less than eighty five percentum (85%) of the Shareholders who would be entitled to vote on a resolution at a meeting of Shareholders (including an Annual General Meeting), who together hold not less than eighty five percentum (85%) of the votes entitled to be cast on that resolution, shall be valid as if such resolution had been passed at a General Meeting of those Shareholders. Resolution in lieu of Meeting
- (2) Within Five working days of a resolution being passed, under paragraph of this Article, the Company shall send a copy of the resolution to every shareholder who did not sign it.
- (3) A resolution may be passed under Sub-Article (1) of this Article without any prior notice give to shareholders.

PROCEEDINGS AT GENERAL MEETING

55. No business shall be transacted at any General Meetings unless a quorum is present when the meeting proceeds to business. Three Members present in person or by proxy or attorney or (in the case of a corporation) by an authorized representative, shall be a quorum for all purposes. Quorum
56. (1) If within fifteen minutes from the time appointed for the Meeting, a quorum is not present, the Meeting if convened on the requisition of Members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the Meeting, the Members present (if more than one) shall be a quorum. Adjournment if quorum not present
- (2) A Resolution passed at an adjourned Meeting of the Company shall for all purposes be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.
57. The Chairman or Deputy-Chairman (if any) of the Directors shall preside as Chairman at every General Meeting. If there be no such Chairman or Deputy Chairman, or if at any Meeting he be not present within five minutes after the time appointed for holding the Meeting or be unwilling to act, the Directors present shall choose one of their number to be Chairman of the Meeting or, if no Director be present or if all the Directors present decline to take the Chair, the Members present shall choose one of their number present to be Chairman of the Meeting. Chairman

58. The Chairman of the Meeting may, with the consent of any Meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, Notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid, it shall not be necessary to give any Notice of an adjournment or of the business to be transacted at an adjourned Meeting.
- Adjournment
Notice of adjournment
59. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by –
- Method of voting
- (i) The Chairman of the meeting; or
- (ii) Not less than five persons present in person or by attorney or representative or by proxy and entitled to vote; or
- (iii) A Member or Members present in person or by attorney or representative or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting.
- A demand for a poll may be withdrawn. Unless a poll be demanded (and the demand be not withdrawn) a declaration by the Chairman of the Meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.
60. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the Meeting may direct, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. The Chairman may (and if so requested shall) appoint scrutineers and may adjourn the Meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
- How a poll is to be taken
61. In the case of an equality of votes, whether on a show of hands or poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- Chairman's casting vote
62. A poll demanded on the election of a Chairman of the Meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the Meeting) and place as
- Time for taking a poll

the Chairman may direct. No notice need be given of a poll not taken immediately.

63. The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded. Continuance of business after demand for poll

VOTES OF MEMBERS

64. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member who (being an individual) is present in person or by proxy or attorney who is not a member or (being a corporation) is present by a representative or proxy or attorney who is not a member shall have one vote. Subject as aforesaid upon a poll every member who is present in person or by proxy or by attorney or by representative shall be entitled to one vote for each share held by him. Votes of Members
65. In the case of joint-holders of a share the vote of the senior who tenders a vote, whether in person or by proxy or representative shall be accepted to the exclusion of the votes of the other joint-holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding. Voting rights of joint-holders
66. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in any lunacy, may vote, whether on a show, of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee or curator bonis appointed by such court, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which such person claims to vote, or in the case of a poll not less than forty-eight hours before the time appointed for the taking of the poll. Voting rights of lunatic Members
67. Unless otherwise determined by the Terms of the Issue no Member shall be entitled to vote at a General Meeting either personally or by proxy, or to exercise any privilege as a Member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. No right to vote where a call is unpaid
68. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive. Qualification of voter
69. On a poll votes may be given either personally or by proxy or by attorney or by representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Votes on a poll

70. The instrument appointing a proxy shall be in writing and –
- Execution of proxies
- (1) In the case of an individual shall be signed by the appointor or by his attorney; and
 - (2) In the case of a corporation shall be either under its Common Seal or signed by its attorney or by an officer on behalf of the corporation. The Company may, but shall not be bound to, require evidence of the authority of any attorney or officer.
 - (3) A proxy need not be a Member of the Company.
71. The instrument appointing a proxy shall be lodged and the power of attorney (if any) under which it is signed, or notarially certified copy of such power, shall if required be deposited for inspection at the Office both not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll before the time appointed for the taking of the poll at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. Deposit of proxies
72. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:— Form of proxy

ORIENT FINANCIAL SERVICES CORPORATION LIMITED

I/We of being a member/members of the above named Company hereby appoint of failing him of As my/our proxy to represent me/us, to speak and vote whether on a show of hands or on a poll for me/us on my/our behalf at the (Annual/Extraordinary, as the case may be) General Meeting of the Company to be held on the day of20, and at any adjournment thereof.....Signed on this day of 20.....

73. (i) Any form of proxy issued by the Company may in the case of a meeting at which special business is to be transacted be so worded that a Member may direct his proxy to vote either for or against any of the resolutions to be proposed. General provisions relating to proxies

- (ii) The proxy shall be deemed to include the right to demand or join in demanding a poll,
- (iii) An instrument appointing a proxy, whether in the usual common form or not, shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.

74. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

Intervening death or insanity of principal not to revoke proxy

CORPORATIONS ACTING BY REPRESENTATIVES

75. Any corporation which is a Member of the Company may by resolution of its Directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorized shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company.

Representatives

Notwithstanding anything to the contrary, in the event of the Appointer of the Proxy (the Principal) attending the Meeting, the authority of the Proxy to attend, vote and/or in any way participate at the Meeting shall stand automatically cancelled and revoked.

DIRECTORS

76. The Directors shall not be less than Five nor more than Thirteen. Subject to the provisions of the Act and other applicable statutory regulations, the Company may from time to time, by Ordinary Resolution, increase or reduce the number of Directors.
77. The shareholding qualification for a Director may be fixed by the Company in General Meeting and unless and until so fixed, no qualification shall be required.
78. The remuneration of the Directors (excluding any remuneration payable under any other provision of these presents) shall be such sum as the Board shall determine as being fair and reasonable to the Company, and which

Number of Directors

Qualification of Directors

Remuneration of Directors

remuneration shall be divided amongst the Directors in such manner as they shall from time to time determine and shall accrue de die in diem.

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

EXECUTIVE DIRECTORS

83. (i) The Directors may from time to time appoint one or more of their body except for the Chairman of the Board of Directors to be holder of any executive office, including the office of Chairman or Director or Manager on such terms and for such period as they may determine. A Director so appointed shall not whilst holding that office, require any qualification or be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors. Appointment of Executive Directors
- (2) The appointment of any Director to the office of Chairman or Managing

Director or Manager or any other executive office shall be subject to termination if he cease from any cause to be a Director but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.

84. The Directors may entrust to and confer upon an Executive Director subject to applicable statutory regulations any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers. Power of Executive Directors
85. An executive Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine. Remuneration of Executive Directors

APPOINTMENT, RETIREMENT, REMOVAL AND VACATION OF OFFICE OF DIRECTORS

86. The Office of a Director shall be vacated in any of the following events, namely – Vacation of office of Director
- (i) If he becomes prohibited by law from acting as a Director including.
 - (a) If he convicted of any offence under the statutes punishable by imprisonment; or
 - (b) If he is convicted of any offence involving dishonest or fraudulent acts whether in Sri Lanka or elsewhere;
 - (ii) If not being an Executive Director holding office as such for a fixed term, he resigns by writing under his hand left at the office;
 - (iii) If he ceases to hold office in terms of Section 207 of the Act;
 - (iv) If he becomes disqualified form being a Director in terms of Section 202 of the Act;
 - (v) If he be absent from Meetings of the Directors for three months without leave, and the Directors resolve that his office be vacated.
 - (vi) If he be requested in writing by all his co-Directors to resign;
 - (vii) If he be removed from office by a Resolution of the Company under the provisions of the Act or these presents;

- (viii) If he is over seventy (70) years of age when being considered for appointment or otherwise reaches the age of seventy (70) whilst serving as a Director of the Company and has not been appointed to hold office or otherwise continue in office in accordance with the provisions of the Statutes in relation thereto.
 - (ix) Becomes disqualified from being a Director in terms of the provisions of the Finance Business Act No.42 of 2011 as amended from time to time and any other law applicable to the Company.
 - (x) Ceases to be a Director pursuant to the provisions of the Finance Companies (Corporate Governance) Direction No. 3 of 2008 or any other direction issued under the Finance Business Act No .42 of 2011 or any other statute applicable to the Company
87. At each Annual General Meeting one-third of the Directors for the time being, or, if their number is not multiple of three, the number nearest to (but not greater than) one-third, shall retire from office: Provided that a Director appointed to the office of Chairman or Managing Director shall not, while holding that office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year, A Director retiring at a meeting shall retain office until the close of the meeting including any adjournment thereof. Selection of Directors to retire
88. The Directors to retire in every year shall be those who, being subject to retirement by rotation, have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Retirement of Directors by rotation
89. A retiring Director shall be eligible for re-election. Eligible for re-election
90. The Company at the meeting at which a Director retires in manner aforesaid shall fill the vacated office by electing a person thereto, and in default the retiring Director shall be deemed to have been re-elected, unless – Filling vacated office
- (i) at such meeting it is expressly resolved not to fill such vacated office, or a resolution for the re-election of such Director is put to the meeting and lost; or
 - (ii) such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
 - (iii) the default is due to the contravention of the next following Article.

91. Except as otherwise provided by the Statutes, a motion for the appointment of two or more persons as Directors by a single resolution shall not be made at any General Meeting unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void. Appointment of Directors to be voted on individually
92. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting, unless not less than fourteen or more than twenty-eight days before the day appointed for the meeting there shall have been left at the office notice in writing signed by some member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. Notice of intention to appoint Director
93. The Company may by Ordinary Resolution of which special notice has been given, remove any Director before the expiration of his period of office, notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement. Removal of Directors
94. The Company may by Ordinary Resolution of which special notice has been given appoint another person in place of a Director removed from office under the last preceding Article, and any person so appointed hereunder shall be subject to retirement by rotation at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy so arising maybe filled by the Directors as a casual vacancy. Appointment to fill vacancy caused by removal from office
95. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. The Director's powers to fill casual vacancies or appoint additional Directors

PROCEEDINGS OF DIRECTORS

96. The Directors may meet together for the authorize of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall not have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, with notice given as per applicable statutory regulations, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Sri Lanka. Meeting of Directors
Voting

97. The Board may concurrently participate either in person or by telephone, radio, conference television or similar communication equivalent or any other form of audio or audiovisual instantaneous communication by which all persons participating in the conference are able to hear and be heard by all other participants for the authorize of business and adjourn and otherwise regulate the conference meeting as they think fit and that the quorum for such conference meeting shall be the same as is applicable for a normal meeting of the Board under the Articles. A resolution passed by such conference meeting shall notwithstanding that the members are not present together at one place at the time of the conference meeting, be deemed to have been passed at a conference meting of the members held on the day and at the time at which the conference meeting was held and shall be deemed to have been held at the registered office of the Company unless otherwise agreed, and all members participating at that conference meeting shall be deemed for all purposes to be present at the conference meeting. All such provisions relating to the convening of such conference meeting and the giving of Notice thereof and Agenda shall be the same as is applicable for a normal meeting of the Board under these presents.

98. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall not be less than three. A Meeting of the Directors for the time being at which a quorum is present subject to applicable statutory regulations shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

Quorum

TRANSACTION IN WHICH A DIRECTOR IS INTERESTED

99. (1) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Act.

Directors interest

(2) The provisions of Sections 191 to 200 (inclusive) of the Act shall apply to the Company in so far as the same are not in conflict with the provisions herein or otherwise in these presents contained and shall govern the applicable procedures in relation to Transactions in which a Director of the Company is or is otherwise deemed 'Interested'.

100. (a) Save as by sub-clause (b) of this Article otherwise provided, a Director shall not vote in respect of any contract or arrangement in which he is interested (and if he shall do so his vote shall not be counted), nor he shall be counted for the purpose of any resolution regarding the same in the quorum present at the meeting, but this Article shall not apply to –

Restrictions on voting

- (i) Any arrangement for giving to him any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or
 - (ii) Any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
 - (iii) Any contract by him to subscribe for or underwrite shares or debentures of the Company; or
 - (iv) Any contract or arrangement with any other company or firm in which he is interested only as a Director or partner or other officer or creditor of or as a shareholder in or beneficially interested in the shares of that company.
- (b) The provisions of sub-clause (a) of this Article may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, and any particular contract, arrangement or transaction carried out in contravention of this Article may be ratified by Ordinary Resolution of the Company.

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

Directors' remuneration for professional services

102. (1) The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these presents, the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings of the Company, but not for any other purposes. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

Proceedings in case of vacancies

(2) Notwithstanding anything to the contrary, where the number of Directors of the Company is reduced to one, such sole Director shall not resign from office until he has called a Meeting of Shareholders to receive notice of his resignation and to appoint one or more Directors to the Company. The terms of the notice of resignation given by such sole Director shall not take effect until the date of the Meeting of Shareholders herein referred to.

103. The Directors may appoint and remove a Chairman and Deputy Chairman of their meetings and may determine the period for which they are to hold office. If no Chairman or Deputy Chairman shall have been appointed, or if at any meeting the Chairman or Deputy Chairman be not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting. Appointment Chairman and Deputy Chairman
104. A resolution in writing signed by all the Directors for the time being in Sri Lanka and all the alternate Directors of those Directors who are not in Sri Lanka, provided such number of Directors shall not be less than four (04), shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, subject to applicable statutory regulations on constitution of a meeting of the Board of Directors and may consist of several documents in the like form, each signed by one or more of the Directors. Resolution in writing
105. Other than the powers exercisable exclusively by the Directors as set out in the Sixth Schedule of the Act, and other applicable statutory regulations the Directors may delegate any of their powers to committees consisting of such member or members of their body and either with or without such other persons, as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors. Power to appoint committees
106. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any provisions in the Act or regulations made by the Directors under the last preceding Article. Proceedings at committee meetings

ALTERNATE DIRECTORS

- 107.(i) Any Director may at any time by notice in writing left at the Office appoint any person approved by the Directors to be an Alternate Director of the Company to act in his place and the following provisions of this Article shall apply to any person so appointed. Provisions for appointing and removing alternate Directors
- (ii) A person appointed to be an Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company nor be required to hold any share qualification but the Directors may repay the Alternate Director such reasonable expenses as he may incur in attending and returning from meetings of the Directors which he is entitled to attend or which he may otherwise properly incur in or about the business of the Company or may pay such allowances as they may think proper in respect of these expenses.

- (iii) An alternate Director shall (on his giving an address for such notices to be served upon him) be entitled to receive notices of all meetings of the Directors and to attend and vote as Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director in the absence of such appointor.
- (iv) An Alternate Director may be appointed for a specified period or until the happening of a specified event but he shall ipso facto cease to be an Alternate Director in any of the following events, that is to say:-
 - (a) Upon the resumption of his duties as a Director by his appointor;
 - (b) If his appointor ceases for any reason to be a Director or is disqualified from holding the office of Director: Provided that if any Director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;
 - (c) If the Alternate Director shall have a receiving order made against him or compound with his creditors or is adjudicated an insolvent;
 - (d) If the Alternate Director be lunatic or become of unsound mind;
 - (e) If the appointment of the Alternate Director is revoked by notice in writing left at the office by his appointor;
- (v) A Director shall not vote on the question of the approval of an Alternate Director to act for him or on the question of the termination of the appointment of such an Alternate Director under sub-paragraph (f) of the last foregoing sub-clause of this Article, and if he do so his vote shall not be counted; nor shall he be counted for the purposes of any resolution for either of these purposes on the quorum present at the meeting.

108. A Director who is unable to attend any meeting of the Directors and has not appointed an Alternate Director may authorise any other Director to vote for him at that meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is authorised in addition to his own vote. Any such authority must be in writing or by cable, radiogram or telegram, which must be produced at the meeting at which the same is to be used, and be, left with the Secretary for filing.

Authority of the
Director to vote
for absent Director

BORROWING POWERS

109. The Directors may exercise all the powers of the Company to borrow money, and may mortgage or charge its undertaking, property and uncalled capital, and issue debentures debenture-stock, convertible loan stock and other securities, whether outright or as collateral security for any debt, liability or

obligation of the company or of any third party; Provided that the aggregate amount at any one time outstanding of moneys borrowed by the Company exclusive of –

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

Shall not without the previous sanction of a Special Resolution of the Company exceed twenty times of the issued and stated capital of the Company;

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

GENERAL POWERS OF DIRECTORS

- 110. The business of the Company shall be managed by the Directors either by themselves or through a Managing Director or General Manager or with the assistance of an Agent or Agents and Secretary or Secretaries of the Company to be appointed by the Directors for the time being in Sri Lanka entitled to vote, for such a period and upon such terms as they shall think fit with power to determine the appointment of such agent or agents, secretary or secretaries as provided by the terms of such appointment or in default of such provision by a like Resolution of the Directors. The Directors shall have power to make and may make such rules regulations for the management of the business and property of the Company as they shall from time to time think proper and shall carry on the business of the Company in such a manner as they may think most expedient. Directors to manage business
- 111. The Directors may exercise all such powers of the Company as are not by the Act or by these presents required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the Act, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Ordinary Resolution of the Company. No regulations so made by the Company shall however invalidate any prior act of the Directors which would have been valid if such regulation had not been made: Provided however that the Directors shall not without the authority of a Special Resolution of the Company:- General Powers of Directors

- (a) Arrange terms for the amalgamation (other than a ‘Short form of amalgamation’ requiring a resolution of the Board as referred to in section 242 of the Act) or otherwise implement the amalgamation of the Company with any other company or individual;
 - (b) Reduce the Company’s Stated Capital;
 - (c) Resolve that the Company be Wound Up in terms of Section 319 of the Act;
 - (d) Change the Name or Status of the Company;
 - (e) Enter into or otherwise carry out any ‘Major Transaction’ as defined in Section 185(2) of the Act.
 - (f) Not sell the business or undertakings of the Company.
- 112.(i) The Directors may establish and make contributions in establishing and making contributions out of the Company's moneys to any provident funds, schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following sub-paragraph shall include any Director) and ex-employees of the Company and their widows and dependents or any class or classes of such persons. Provident and pension funds
- (ii) The Directors may pay, enter into agreements to pay or make grants revocable or irrevocable, and either subject or not subject to any terms or conditions pensions or other benefits to employees and ex-employees and their widows and dependents or to any of such persons including pensions or benefits additional to those (if any) to which such employees or ex-employees or their dependents are or may become entitled under any such scheme or fund as mentioned in the last preceding sub-paragraph. Any such pensions or benefit may, as the Directors consider desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.
113. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise, executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine. Signing of cheques, etc
114. The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company except for finance business and finance leasing business may be interested shall be carried on by or through one or more subsidiary companies and they may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any such branch of business so carried on and they may appoint, remove and re-appoint any persons (whether members of their own body or not) to act as directors, executive directors or managers or Organization of subsidiary companies

other officers of any such company or any other company in which the Company may be interested, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any person so appointed.

115. The Directors may establish any Local Boards or Agencies for managing any of the affairs of the Company only abroad and may appoint any persons to be members of such Local Boards, or any Managers or Agents, and may fix their remuneration, and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors and subject to applicable statutory regulations with power to sub-delegate and may authorise the Members of any Local Boards, or any of them to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. Power to establish Local Boards, etc.
116. The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Power to appoint Attorneys
117. The Company may have an official seal for use abroad, and such seal shall be used in the manner and for the purposes authorized and approved by the Directors. Power to have a seal for use abroad
118. The Company, or the Directors on behalf of the Company, may in the exercise of the powers in that behalf conferred by the Statutes cause to be kept a branch register or registers of members and the Directors may (subject to the provisions of the Statutes) make and vary such regulations as they may think fit respecting the keeping of any such register. Power to keep branch register

MINUTES

119. The Directors shall cause minutes to be made in books provided for the purpose – Minutes to be kept
- (a) of all appointments of officers made by the Directors.

- (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors.
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of the committees of Directors;

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

SECRETARY

120.(1)The Directors shall appoint on such terms and conditions and at such remuneration as may be agreed upon, a person, firm or Company qualified in accordance with the terms of the Act to be the Company Secretary. The Directors may also (where they appoint an individual as the Secretary) appoint and employ any other person as Assistant Company Secretary.

Secretary

(2)The duties of the Secretary shall, unless otherwise determined by the Board include:

- a) Keeping all records and registers required by the Statutes to be kept by the Company;
- b) Recording and maintaining the minutes required by the preceding Article or otherwise as required by these presents or as prescribed by the Act;
- c) Performing any other functions which by these presents are to be performed by the Secretary and generally to execute all other duties which may from time to time be assigned by the Directors to the Secretary.

SEAL

121. The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. The seal of the Company shall not be affixed to any deed, certificate for shares stock debenture stock or other form of security (other than Letters of Allotment or Scrip Certificates) or other instrument except in the presence of two or more of the Directors or of one Director and the Agent and/or Secretary of the Company who shall attest the sealing thereof; such attestation on the part of the Agent and/or Secretary in the event of a firm being the Agents and/or Secretaries being signified by a partner or duly authorised agent of the said firm signing the firm name or for and on behalf of the said firm as such agents and/or Secretaries and in the event of Company being the Agent and/or Secretary being signified by a Director or the Secretary or the duly authorised Agent of such company signing for and on behalf of such company as Agent and/or Secretary. The sealing shall not be attested by one person in the dual capacity of Director and representative of the Agent and/or Secretary. Any document sealed in

Seal

accordance with the provisions of this Article shall be presumed to have been duly executed by the Company.

AUTHENTICATION OF DOCUMENTS

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

DIVIDEND

- 123.(1) Subject to the provisions of the Act, the Directors may recommend and declare a Distribution by way of Dividend, whether Interim or Final and whether by way of cash or by the distribution of specific assets, provided always however that the same is from and out of the profits of the Company as determined by reference to acceptable accounting practices.
- Recommendation of dividends
- (2) The Directors shall not authorize or otherwise declare a dividend in respect of some shares in a class and not others of that class; or of a greater amount in respect of some shares in a class and not other shares in that class, except where –
- Dividend not to be discriminatory
- (a) the amount of the dividend is reduced in proportion to any liability attached to the shares under the Company's Articles; or
- (b) a shareholder has agreed in writing to receive no dividend or a lesser dividend than would otherwise be payable.
124. Subject to any applicable accounting regulations and/or provisions in the Act and any other applicable statutory regulations any income derived from investments of the Company or any part thereof may be treated as profits and dealt with and distributed by way of dividend, without obligation to make provision for any depreciation in the capital value of the investments.
- Income from investments
125. Subject to the provisions of the Act, the Directors may pay a dividend or otherwise make a distribution in whole or in part by the distribution of specific assets and in particular of paid-up shares or debentures of the
- Apportionment of dividends

Company or of any other Company or in any one or more of such ways; Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for the distribution of such specific assets or any part thereof and may determine that a cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

126. Subject to the rights of persons if any, entitled to shares with special rights or such other special terms with regard to dividend, all dividends shall be declared and paid according to the amounts paid equally on all fully paid shares in respect whereof the dividend is paid (without reference to the consideration paid per share) and in respect of shares subject to calls, the entitlement to the dividend shall be prorated to the percentage value of the amount in fact paid on the share (with reference to the total amount payable on the share) at the time of the declaration of such dividend. For purposes of this Article only, no amount paid on a share in advance of calls shall be treated as paid on the share. If any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Special rights and terms with regard to dividend
127. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed cumulative preferential dividends on any class of shares carrying a fixed cumulative preferential dividend expressed to be payable on fixed dates on the half-yearly or other dates, if any, prescribed for the payment thereof by these presents or by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they think fit. Payment of interim dividends
128. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company. Dividends not to bear interest
129. The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise. Deduction of debts due to company
130. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends
131. The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares

hereinbefore contained entitled to become a member, or which any person under those provisions is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

132. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so forfeited shall then revert to the Company. All unclaimed dividend may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Unclaimed dividends
133. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or as otherwise directed in writing by such member or person, or if several persons are registered as joint-holders of the share or are entitled there to in consequence of the death or bankruptcy of the holder, to any one of such person or to such person and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint-holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct, and payment of the cheque or warrant if purporting to be endorsed or signed by way of receipt shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Dividends payable by cheque
134. If several persons are registered as joint-holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other money payable on or in respect of the share. Dividends due to joint holders

RESERVES

135. Subject to the provisions of the Act, the Directors may, before recommending any dividend, set aside, out of the profits of the Company, such sums as they think proper as a reserve fund in addition to any reserve funds required to be maintained under applicable statutory regulations to meet contingencies or for equalizing dividends, or for special dividends, or for repairing, improving and maintaining any of the property of the Company, and for such other purposes as the Directors shall in their discretion think conducive to the interests of the Company; including investing any part of the sums so set aside upon such investments (other than in shares of the Company) as they ay think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company. The Directors may divide the reserve fund into such special funds as they think fit and may employ the reserve fund or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets. The Directors may also without placing the same to reserve Power to carry profit to Reserve
- Application of reserve
- Division of reserve into special funds
- Power to carry forward profits

carry forward any profits which they may think not prudent to divide.

CAPITALIZATION OF PROFITS AND RESERVES

136.(1)The Directors may in the exercise of their powers and having regard to the Company's Accounts and other Financial information resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's Reserve Accounts except for statutory reserves required to be maintained under statutory regulations, or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on conditions that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or for distributing, credited as fully paid, shares of value determined by the Directors based on accepted accounting principles, or debentures or securities of the Company to and amongst such members in the proportion aforesaid or partly in the one way and partly in the other and the Directors shall give effect to such resolution.

Power to capitalize profits

(2)Pursuant to the foregoing, the Directors shall make all the appropriations and applications of the undivided profits to be capitalised thereby, and all allotments and issues of fully paid shares, debentures or securities, as the case may be, and generally shall do all acts and things required to give effect thereto including the issue of fractional certificates or otherwise the sale of all or a part of such fractions as the case may be. The Directors shall also have the power to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up of any shares to which they are entitled to upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the amount resolved to be capitalized or any part of the amounts remaining unpaid on their existing shares or for appointing any person to sign transfers of shares to avoid fractional certificates. Any agreement made under such authority shall be effective and binding on all such members.

Capitalization of Profits

REGISTERS

137. The Company shall keep the following Registers:

- a) The Register of Members and Debenture holders
- b) The Register of Directors and Secretaries

Keeping of registers etc

- c) The Register of Share Transfers
- d) The Register of Mortgages and Charges
- e) The Interests Register

ACCOUNTS

138. The Directors shall cause to be kept such books of accounts as are necessary to comply with the provisions of the statutes. The Directors shall ensure that such records:
- Directors to keep proper accounts.
- a) correctly record and explain the Company's transactions;
 - b) enable the financial position of the Company to be determined at any time with reasonable accuracy;
 - c) enable the Directors to prepare financial statements in accordance with the Act;
 - d) enable the Financial Statements of the Company to be readily and properly audited.
139. The books of accounts shall be kept at the Office, or at such other place in Sri Lanka as the Directors think fit. The accounting records and Financial Statements of the Company shall be open to the inspection of any of the Directors to the extent and in the manner permitted under Section 118 of the Act and to any Member to the extent and in the manner permitted under Section 119 of the Act.
- Inspection of books
140. The Directors shall in accordance with the provisions of the Act cause to be prepared within 3 months of the Balance Sheet date of the Company (or such other extended time as may be determined by the Registrar General of Companies under Section 150 of the Act,) Financial Statements, Group Accounts if any and any Reports that may be necessary in compliance with the provisions of the Act including an Annual Report (signed in the manner prescribed) on the affairs of the Company during the Accounting period ending on such Balance Sheet date.
- Preparation of accounts

141. A printed copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be annexed thereto), together with a copy of every report of the Auditors relating thereto and of the Directors' report, shall not less than fifteen working days before the date of the meeting be sent to every Member of, and every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these presents (provided that this article shall not require a copy of these documents to be sent to any person of whose address in Sri Lanka the Company is not aware or to more than one of the joint-holders, but any Member to whom a copy of these documents has not been sent, shall be entitled to receive a copy free of charge on application at the office).

Copies of accounts.

Notwithstanding anything to the contrary and in accordance with Section 167 of the Act, the Company may, in the first instance, send every Shareholder the Annual Report together with the Financial Statements in the summarised form as may be prescribed, in consultation with the Institute of Chartered Accountants of Sri Lanka. The Company shall inform each Shareholder that he is entitled to receive, if he so requires, the full Financial Statement within a stipulated period of time.

AUDIT

142. At each Annual General Meeting the retiring Auditor shall, without any resolution being passed, be deemed to have been re-appointed until the conclusion of the next ensuing Annual General Meeting, unless -
- (i) he is not qualified for re-appointment, or
 - (ii) a resolution has been passed at that meeting in accordance with the Statutes appointing some other person or firm instead of him or providing expressly that he shall not be so appointed, or
 - (iii) he has given to the Company notice in writing of his unwillingness to be appointed. In any such case the Company shall at such meeting appoint some other person in lieu.

Appointment of Auditor

- 143.(1) The Directors shall have power to fill a casual vacancy in the office of an Auditor by appointing some person or firm to hold such office until the conclusion of the next Annual General Meeting, but while any such casual vacancy continues the surviving or continuing Auditor (if any) may act.
- (2) If at an Annual General Meeting no Auditor is appointed or re-appointed and no appointment is made pursuant to the preceding subsections, and a casual vacancy in the office of auditor is not filled within one month of the occurring of such vacancy, the Registrar General of Companies may appoint

Casual vacancies

an Auditor.

144. The remuneration of the Auditor shall be fixed, if the Auditor is appointed at a General Meeting, then by the meeting or in such manner as is determined at the meeting; or if the Auditor is appointed by the Directors, then as determined by the Directors. Remuneration of Auditor
145. Subject to the provisions of the Act, all acts done by any person acting as on Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment, or that he was at the time of his appointment not qualified for appointment. Validity of acts of Auditor in spite of some formal defect
146. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as auditor. Auditor's right to receive notice of and attend and speak at General Meetings

NOTICES

147. Every member whether resident in Sri Lanka or not may furnish the Company with an address in Sri Lanka as the place to which any communication intended for him may be sent by the Company and which address shall be deemed to be his registered address for the purpose of these Articles. Member to furnish an address in Sri Lanka
148. Any notice or document (including a share certificate) may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address, or (if he has no registered address within Sri Lanka) to the address if any, within Sri Lanka supplied by him to the Company as his address for the service of notices. Where a notice or other document is served by post, service shall be deemed to be effected at the expiration of 24 hours after the letter containing the same is posted, and proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted. Service of notices
149. In respect of joint holdings all notices shall be given to that one of the joint-holders whose name stands first in the Register of Members, and notice so given shall be sufficient notice to all the joint-holders. Service of notices in respect of joint holdings
150. A person entitled to a share in consequence of the death or bankruptcy of a member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within Sri Lanka for the service of notices, shall be entitled to have service of notices after death or bankruptcy of a member

served upon him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint-holder.

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

RIGHTS OF DIRECTORS AND SHAREHOLDERS TO DOCUMENTS ETC.

- 156.(1) The Directors of the Company are entitled to have access to the Company's records in accordance with Section 118 of the Act.
- (2) A shareholder of the Company is entitled—
- (a) to inspect the documents referred to in Section 119 of the Act, in the manner specified in Section 121 of the Act; and
 - (b) to require copies of or extracts from any document which he may inspect, within five (5) working days of making a request in writing for the copy or extract, on payment of any reasonable copying and administration fee determined by the Company. The fee may be determined by any Director or by the secretary, subject to any directions from the Board.

ADMINISTRATORS

157. The Directors may in accordance with the provisions of the Act appoint an Administrator of the Company where the Directors consider that the Company is or is likely to become unable to pay its debts as they fall due and the appointment of such Administrator will likely achieve one or more of the purposes as set out in Section 401(2) of the Act.

Appointment of an Administrator

WINDING UP

158. (1) The Company may be Wound Up –
- (a) by the Court
 - (b) Voluntary; or
 - (c) Subject to the supervision of the Court;

Winding up

And the provisions of the Act shall apply to the Winding Up of the Company.

- (2) Subject to any applicable provisions in the Terms of Issue of Shares and the Act, any surplus assets of the Company shall be distributed amongst the Members in proportion to the number of shares held by each such member, after all Creditors of the Company have been paid, all costs, charges and expenses of Winding up including the remuneration of the Liquidators have been met and all preferred and other debts satisfied.

INSURANCE AND INDEMNITY

159. Where proceeding are instituted against a Director or Employee of the Company or of a related Company, alleging liability on his/her part for any Act or omission in his/her capacity as a Director or employee, the Board may, if satisfied prima facie, that the said Director or employee has acted or omitted to Act, bona fide, in the normal discharge of his/her duties;
- a) bear the costs related to his/her defense, provided prior approval of the Board has been obtained, for the incurring of such costs, and/or
 - b) indemnify him/her of liability to any person other than the Company or related Company in respect of costs incurred by that Director or employee in defending or settling any claim or proceedings relating to such liability, not being a criminal liability or in the case of a Director, liability in respect of a breach of the duty specified in Section 187 of the Act.

COMPLIANCE WITH THE LISTING RULES AND CDS RULES OF THE COLOMBO STOCK EXCHANGE

160. Notwithstanding anything to the contrary contained in these Articles, so long as the Company is listed on the Colombo Stock Exchange, the Company shall comply with the Rules of the Colombo Stock Exchange and the Central Depository System, which shall be in force from time to time.

Notwithstanding anything to the contrary, the provisions contained in the Finance Business Act No.42 of 2011 and Directions and Rules issued there under including the Finance Companies (Corporate Governance) Directions No.3 of 2008 (as may be amended from time to time) shall supersede there Articles at all times and in the event of any inconsistency between the Finance Business Act and Directions and Rules issued there under and any Article herein, the Finance Business Act and Directions and Rules issued there under shall prevail