

The Companies Act 1981

Company Limited by Shares

Memorandum of Association

and

New Bye-Laws

OF

CHINESE PEOPLE HOLDINGS COMPANY LIMITED

中民控股有限公司

(Incorporated in Bermuda with limited liability)

Formerly known as

Formerly known as

CHINESE PEOPLE GAS HOLDINGS COMPANY LIMITED

Formerly known as

KEL HOLDINGS LIMITED

Incorporated on the 13th November 1996

Incorporated all amendments made up to 22 September 2009

CHINESE PEOPLE HOLDINGS COMPANY LIMITED
(incorporated in Bermuda with limited liability)

**CERTIFIED EXTRACT COPY OF THE RESOLUTIONS OF THE COMPANY
DULY PASSED IN THE ANNUAL GENERAL MEETING OF THE COMPANY
ON 22 SEPTEMBER 2009**

SPECIAL RESOLUTION

7. "THAT the Bye-Laws of the Company be amended as below:

(a) Bye-Law 1.(A)

by adding the following new definition of "business day" in the existing Bye-Law I .(A) immediately after the existing definition of "the Board" :

""business day" shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning, such day shall for the purposes of these Bye-Laws be counted as a business day;"

(b) Bye-Law 1.(A)

by adding the following new definition of "full financial statements" in the existing Bye-Law 1.(A) immediately after the existing definition of "dividend":

""full financial statements" shall mean the financial statements that are required under section 87(1) of the Companies Act as may be amended from time to time";

(c) Bye-Law 1.(A)

by adding the following new definition of "summarized financial statements" in the existing Bye-Law 1.(A) immediately after the existing definition of "Statutes":

""summarized financial statements" shall have the meaning ascribed to them in the section 87A(3) of the Companies Act as may be amended from time to time;"

(d) Bye-Law 1.(C)

by deleting the existing Bye-Law 1.(C) in its entirety and substituting therefor the following new Bye-Law 1.(C):

"1.(C) A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of votes cast by such shareholders as, being entitled so to do, vote in person or, in the case of such shareholder as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given pursuant to Bye-Law 63.";

(e) Bye-Law 1.(D)

by deleting the existing Bye-Law 1.(D) in its entirety and substituting therefor the following new Bye-Law 1.(D):

"1.(D) a resolution shall be an Ordinary Resolution when it has been passed by a simple majority of votes cast by such shareholders as, being entitled so to do, vote in person or, in the case of any shareholder being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given pursuant to Bye-Law 63;"

(f) Bye-Law 63

by deleting the existing Bye-Law 63 in its entirety and substituting therefor the following new Bye-Law 63:

"63. (1) An annual general meeting shall be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by notice of not less than fourteen (14) clear days and not less than ten (10) clear business days. Subject to the Companies Act and the rules of the Designated Stock Exchange, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:-

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

(b) in the case of any other meeting, by a majority in number of the shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.

(2) The period of notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held, and the notice should specify the time and place of the meeting and, in case of special business, the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all shareholders other than to such shareholders as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence to the death or bankruptcy or winding-up of a shareholder and to each of the Directors and the Auditors.";

(g) Bye-Law 70

by deleting the existing Bye-Law 70 in its entirety and substituting therefor the following new Bye-Law 70:

"70. A resolution put to the vote of a meeting shall be decided by way of a poll.";

(h) Bye-Law 71

by deleting the existing Bye-Law 71 in its entirety and substituting therefor the following new Bye-Law 71:

"71. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.";

(i) Bye-Law 72

by deleting the existing Bye-Law 72 in its entirety and substituting therefor the words "intentionally deleted";

(j) Bye-Law 73

by deleting the existing Bye-Law 73 in its entirety and substituting therefor the following new Bye-Law 73:

"73 In the case of equality of votes, the Chairman of such general meeting shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive.";

(k) Bye-Law 74

by deleting the existing Bye-Law 74 in its entirety and substituting therefor the words "intentionally deleted."

(l) Bye-Law 76

by deleting the existing Bye-Law 76 in its entirety and substituting therefor the following new Bye-Law 76:

"76 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every shareholder present in person or by a duly authorized corporate representative or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Bye-Law as paid up on the share). On a poll, a shareholder entitled to more than one vote need not use all his votes or cast his votes in the same way.";

(m) Bye-Law 79

by deleting the words ", whether on a show of hands or on a poll," after the words "having jurisdiction in lunacy may vote" in the 2nd line of the existing Bye-Law 79;

(n) Bye-Law 81

by deleting the existing Bye-Law 81 in its entirety and substituting therefor the following new Bye-Law 81:

"81 Any shareholder of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by a duly authorised corporate representative or by proxy. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder. In addition, a proxy or proxies representing either an individual shareholder or a shareholder which is a corporation shall be entitled to exercise the same powers on behalf of the shareholder which he or they represent as such shareholder could exercise.";

(o) Bye-Law 83

by deleting the words "or poll" in the 7th line of the existing Bye-Law 83, by deleting the words "or on a poll demanded at a meeting or an adjourned meeting" in the 11th and 12th line of the existing Bye-Law 83, and by deleting the words "or upon the poll concerned in the 14th and 15th line of the existing Bye-Law-83;

(p) Bye-Law 85

by deleting the words "to demand or join in demanding a poll and" in the 2nd and 3rd line of the existing Bye-Law 85;

(q) Bye-Law 162

by deleting the existing Bye-Law 162 in its entirety and substituting therefor the following new Bye-Law 162:

"162.(A) The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes.

(B) Subject to paragraph (C) below, every balance sheet of the Company shall be signed on behalf of the Board by two of the Directors and a copy of every balance sheet (including every document required by law to be comprised therein or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the Auditors' report, shall not less than twenty-one (21) clear days and not less than twenty (20) clear business days before the date of the meeting be sent to every shareholder of, and every holder of debentures of, the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of the Companies Act or these Bye-Laws, provided that this Bye-Law shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures, but any shareholder or holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Head Office or the Registration Office. If all or any of the shares or debentures of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

- (C) The Company may send summarized financial statements to shareholders of the Company who have, in accordance with the Statutes and any applicable rules prescribed by the Designated Stock Exchange, consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by an auditor's report and notice informing the shareholder how to notify the Company that he elects to receive the full financial statements. The summarized financial statements, notice and auditor's report must be sent not less than twenty-one (21) clear days and not less than twenty (20) clear business days before the general meeting to those shareholders that consented and elected to receive the summarized financial statements.
- (D) Subject to Section 88 of the Companies Act, the Company shall send the full financial statements to a shareholder within seven days of receipt of the shareholder's election to receive the full financial statements.:- and

(r) Bye-Law 165

by deleting the existing Bye-Law 165 in its entirety and substituting therefor the following new Bye-Law 165:

"165. A person other than the retiring Auditors shall not be capable of being appointed Auditors at an annual general meeting unless notice of an intention to nominate that person to the office of Auditors has been given to the Company not less than twenty-one (21) clear days and not less than twenty (20) clear business days before the annual general meeting, and the Company shall send a copy of any such notice to the retiring Auditors and shall give notice thereof to the shareholders not less than seven days before the annual general meeting provided that the above requirements may be waived by notice in writing by the retiring Auditors to the Secretary."



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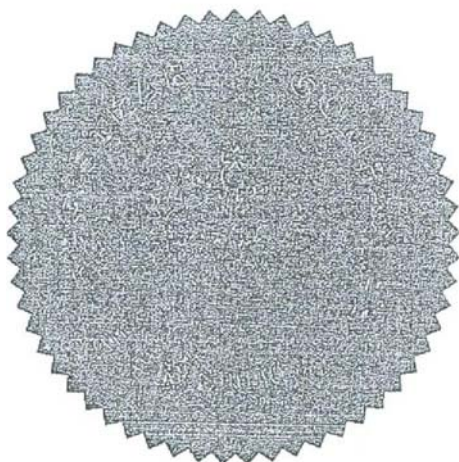
CERTIFICATE OF SECONDARY NAME

I hereby in accordance with section 10A of *the Companies Act 1981* issue this Certificate of Secondary Name and do certify that on the 5th day of **November, 2007**

Chinese People Holdings Company Limited

was registered with the secondary name 中民控股有限公司 by me in the

Register maintained by me under the provisions of section 14 of *the Companies Act 1981*.



Given under my hand and the Seal of
the REGISTRAR OF COMPANIES
this **15th** day of **November, 2007**


for Acting Registrar of Companies



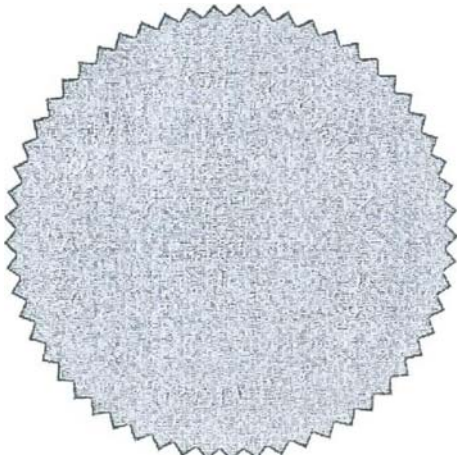
BERMUDA

**CERTIFICATE OF REGISTRATION OF
ALTERED MEMORANDUM OF ASSOCIATION**

THIS IS TO CERTIFY that a copy of the Memorandum of Association
of

Chinese People Holdings Company Limited

altered in accordance with section 12 of *the Companies Act 1981* ("the Act") was delivered to the Registrar of Companies and registered on the **29th** day of **October**, 2007 pursuant to section 12(7)(A) of the Act.



Given under my hand and the Seal of the
REGISTRAR OF COMPANIES this
31st day of **October**, 2007

A handwritten signature in black ink, appearing to be 'N. S. ...'.

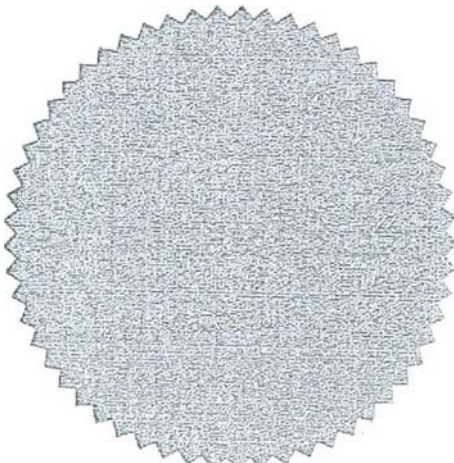
or **Acting Registrar of Companies**



BERMUDA

**CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME**

I HEREBY CERTIFY that in accordance with section 10 of *the Companies Act 1981 Chinese People Gas Holdings Company Limited* by resolution and with the approval of the Registrar of Companies has changed its name and was registered as **Chinese People Holdings Company Limited** on the **5th** day of **October, 2007**.



Given under my hand and the Seal of the
REGISTRAR OF COMPANIES

this 12th day of **October, 2007**



for Registrar of Companies

CHINESE PEOPLE HOLDINGS COMPANY LIMITED
(incorporated in Bermuda with limited liability)

**CERTIFIED EXTRACT COPY OF THE RESOLUTIONS OF THE
COMPANY DULY PASSED IN THE ANNUAL GENERAL MEETING OF
THE COMPANY ON 27 SEPTEMBER 2007**

SPECIAL RESOLUTIONS

RESOLUTION NO. 8

"**THAT** the Bye-Laws of the Company be and are hereby amended in the following manner:

(a) ByeLaw 60 (B)

By deleting the existing Bye-Law 60 (B) in its entirety and substituting therefor the following new Bye-Law 60 (B):

- "60(B). (i) Except in the case of the removal of auditors or Directors, anything which may be done by Ordinary Resolution or Special Resolution in general meeting may be done by resolution in writing, signed by the required majority of the Shareholders or any class thereof or their proxies, or in the case of a Shareholder that is a corporation (whether or not a company within the meaning of the Companies Act) by its representative on behalf of such Shareholder, being the required majority of the Shareholders of the Company or any class thereof who at the date of the notice of the resolution in writing would be entitled to attend a meeting and vote on the resolution. Such resolution in writing may be signed in as many counterparts as may be necessary.
- (ii) Notice of any resolution in writing to be made under this Bye-Law shall be given, and a copy of the resolution shall be circulated, in the same manner as that required for a notice of a general meeting of the Company at which the resolution could have been considered, except that the length of the period of notice shall not apply.
- (iii) The accidental omission to give notice of, or to circulate a copy of, a resolution in writing to be made under this Bye-Law, or the non-receipt of such notice or copy by, any person entitled to receive such notice or copy shall not invalidate the passing of the resolution.

- (iv) For the purposes of this Bye-Law, the date of the resolution in writing is the date when the resolution is signed by, or on behalf of, the Shareholder who establishes the majority of votes required for the passing of the resolution and any reference in any enactment to the date of passing of a resolution is, in relation to a resolution in writing made in accordance with this Bye-Law, a reference to such date.
- (v) A resolution in writing made in accordance with this Bye-Law is as valid as if it had been passed by the Company in general meeting or, if applicable, by a meeting of the relevant class of Shareholders of the Company, as the case may be. A resolution in writing made in accordance with this Bye-Law shall constitute minutes for the purposes of the Companies Acts and these Bye-Laws."

(b) Bye-Law 67A

By adding the following new Bye-Law 67A immediately after Bye-Law 67:

"67(A). A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting."

with the following marginal note:

"Methods of attending meetings of Shareholders"

(c) Bye-Law 70

By deleting the existing Bye-Law 70 in its entirety and substituting therefor the following new Bye-Law 70:

"70. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands or by a count of votes received in the form of electronic records unless a poll is (before or on the declaration of the result of the show of hands or count of votes received as electronic records or on the withdrawal of any other demand of a poll) demanded:—

- (i) by the Chairman of the meeting; or
- (ii) by at least three shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or

- (iii) by any shareholder or shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (iv) by any shareholder or shareholder present in person or by a duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands or count of votes received as electronic records been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution."

(d) Bye-Law 73

By deleting the exiting Bye-Law 73 in its entirety and substituting therefor the following new Bye- Law 73:

" 73. In the case of an equality of votes, whether on a show of hands or count of votes received as electronic records or on a poll, the Chairman of the meeting at which the show of hands or count of votes received as electronic records takes place or at which the poll is demanded, shall be entitled to a second or casting vote. In case of any dispute as to the admission or refection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive."

(e) Bye-Law 119

By deleting the exiting Bye-Law 119 in its entirety and substituting therefor the following new Bye-Law 119:

"119. The Board may from time to time elect one of its body to the office of Chairman of the Company and another to be the Deputy Chairman of the Company and may from time to time elect or otherwise appoint other officers and determine the period for which, each of them is to hold office. The Chairman (if any), or in his absence the Deputy Chairman (if any) shall preside at meetings of the Board, or if no such Chairman or Deputy Chairman is elected or appointed, or if at any meeting the Chairman or the Deputy Chairman is not present within five minutes after the time appointed

for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting. All the provisions of Bye-Laws 112, 113 and 114 shall mutatis mutandis apply to any office in accordance with the provisions of this Bye-Law."

(f) Bye-Law 134 (A)

By deleting the exiting Bye-Law 134(A) in its entirety and substituting therefor the following new Bye-Law 134(A):

"134. (A) The Board may authorise the production of one or more Seals. The Directors shall provide for the safe custody of each Seal, and no Seal shall be used without the authority of the Directors or a committee authorised by the Directors in that behalf.

In the event that the Board does not authorise the production of a Seal, any document required to be under Seal or executed as a deed on behalf of the Company shall be signed or executed by any person authorised by the board for that purpose."

(g) Bye-Law 134 (B)

By deleting the existing Bye-Law 134 (B) and the related marginal note in their entirety and substituting therefor the following new Bye-Law 134 (B):

"134 (B) Subject to these Bye-Laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary, or by 2 Directors, or by any person or persons (including a Director and/or the Secretary) authorised by the Board for that purpose, provided that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signature shall be dispensed with or affixed by some method or system of mechanical signature other than autographic as specified in such resolution or that such certificates need not be signed by any person."

With the following marginal note:

"Use of Seal"

(h) Bye-Law 136 (A)

By deleting the exiting Bye-Law 136(A) in its entirety and substituting therefor the following new Bye-Law 136(A):

"136. (A) The Board may from time to time and at any time, by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, 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 Board under these Bye-Laws) and for such period and subject to such conditions as it 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 Board may think fit, and may also authorize any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him."

(i) Bye-Law 136 (B)

By deleting the existing Bye-Law 136 (B) and the related marginal note in their entirety and substituting therefor the following new Bye-Law 136 (B):

"136. (B) The Company may in writing empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company shall bind the Company."

With the following marginal note:

"Execution of deeds by attorney"

RESOLUTION NO. 9

"THAT the Memorandum of Association of the Company be and are hereby amended in the following manner:

(a) Clause 6

By deleting the existing Clause 6 of the Memorandum of Association and substituting therefor the following new Clause 6:

"6. The objects of the Company are unrestricted."

(b) Clause 7

By deleting the existing Clause 7 of the Memorandum of Association and substituting therefor the following new Clause 7:

"7. The Company shall have the following powers:—

- (i) The powers of a natural person;
- (ii) Subject to the provisions of Section 42 of the Companies Act 1981, to issue preference shares which at the option of the holders thereof are to be liable to be redeemed;
- (iii) To purchase its own shares in accordance with the provisions of Section 42A of the Companies Act 1981; and"

RESOLUTION NO. 10

"THAT,

- (a) subject to the approval of the Registrar of Companies in Bermuda, the name of the Company be changed from "Chinese People Gas Holdings Company Limited" to "Chinese People Holdings Company Limited" and a new Chinese name of "中民控股有限公司" for identification purpose only, be adopted to replace the current Chinese name of "中民燃氣控股有限公司"; and

any one director of the Company, or any two directors of the Company if the affixation of the common seal is necessary, be and/is are hereby authorized for and on behalf of the Company to execute all such other documents and to do such acts or things as he/they may in his/their absolute discretion, deem fit, to effect and implement the change of name of the Company."

(sd.)

CHAIRMAN OF THE MEETING

27 SEP 2007



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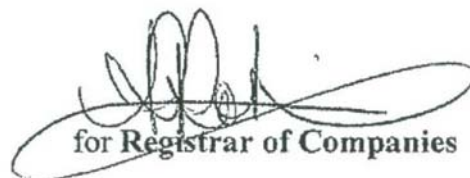
**CERTIFICATE OF DEPOSIT OF
MEMORANDUM OF INCREASE OF SHARE CAPITAL**

THIS IS TO CERTIFY that a Memorandum of Increase of Share Capital of
Chinese People Gas Holdings Company Limited

was delivered to the Registrar of Companies on the **4th** day of **October, 2006** in
accordance with section 45(3) of *the Companies Act 1981* ("the Act").



Given under my hand and Seal of the
REGISTRAR OF COMPANIES this
5th day of **October, 2006**


for Registrar of Companies

Capital prior to increase:	<u>IHK\$350,000,000.00</u>
Amount of increase:	<u>HK\$210,000,000.00</u>
Present Capital:	<u>HKS560,000,000.00</u>

ORM NO. 7



THE COMPANIES ACT 1981

**MEMORANDUM OF INCREASE OF SHARE CAPITAL
OF
Chinese People Gas Holdings Company Limited**

(hereinafter referred to as "the Company")

DEPOSITED in the office of the Registrar of Companies on the _____ day of October, 2006 in accordance with the provisions of section 45(3) of the Companies Act 1981.

Minimum Share Capital of the Company	HK\$	100,000.00
Authorized Share Capital of the Company	HK\$	350,000,000.00
Increase of Share Capital as authorized by an ordinary resolution of the Shareholders of the Company at the Annual General Meeting of the Company held on 3 October 2006 in Hong Kong	HK\$	210,000,000.00
AUTHORIZED SHARE CAPITAL AS INCREASED	HK\$	<u>560,000,000.00</u>

DULY STAMPED in the amount of BD\$NIL being the stamp duty payable on the amount of increase of share capital of the Company in accordance with the provisions of the Stamp Duties Act, 1976.

A handwritten signature in black ink, appearing to be 'D. G.', written over a horizontal line.

Director

DATED THIS 3rd day of October 2006

NOTE: This memorandum must be filed in the office of the Registrar of Companies within thirty days after the date on which the resolution increasing the share capital has effect and must be accompanied by a copy of the resolution and the prescribed fee.

CHINESE PEOPLE GAS HOLDINGS COMPANY LIMITED
(the "Company")
(Incorporated in Bermuda with limited liability)

CERTIFIED TRUE EXTRACTS OF MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT CRATER ROOM III, FUNCTION ROOM LEVEL (B1), THE RITZ-CARLTON HONG KONG, 3 CONNAUGHT ROAD CENTRAL, HONG KONG ON 3 OCTOBER 2006 AT 10:00 A.M.

SPECIAL RESOLUTION

12. Amendments to Bye-laws

"~~THAT~~ the bye-laws of the Company be and are hereby amended in the following manner:

- (A) By adding the following new definition in Bye-Law 1 (A) immediately before the definition of "appointed" newspaper":

"address" shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Bye-Laws;"

- (B) By adding the following new definition in Bye-Law 1(A) immediately after the definition of "debenture" and "debenture holder":

"Designated Stock Exchange" means a stock exchange in respect of which the shares of the Company are listed or quoted and where such stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;"

- (C) By adding the following new definition in Bye-Law 1(A) immediately after the definition of "dividend"

"electronic" means relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as amended from time to time;

"electronic communication" means a communication sent by electronic means;

"electronic means" means the transmission of any communication from the Company in any form through any medium (including but not limited to electronic mail or publication on the Company's website, or publication on the Company's computer network or publication on the website of the Designated Stock Exchange);

"Electronic Signature" means an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;"

- (D) By adding the following new definition in Bye-Law 1(A) immediately after the definition of "Head Office":

""Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China;"

- (E) By adding the following new definition in Bye-Law 1(A) immediately after the definition of "holding company" and "subsidiary":

""Listing Rules" means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as from time to time supplemented, amended, substituted or replaced;"

- (F) By deletion the existing definition of "Statutes" in Bye-Law 1(A) in its entirety and substituting therefor the following:

""Statutes" means the Companies Act, the Electronic Transactions Act 1999 of Bermuda, and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents;"

- (G) By deleting from Bye-Law 1(A) the paragraph with regard to "writing" or "painting" in its entirety as set out immediately after the definition of "Transfer Office" and adding the following new definition in Bye-Law 1(A) immediately after the definition of "Transfer Office":

""in writing" means written or printed or produced by lithography or printed by photography or typewritten or produced by any other mode of representing words in a visible form or, to the extent permitted by, and in accordance with the applicable Statutes, rules and regulations. any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form;"

- (H) By adding the following new paragraphs in Bye-Law 1(A) immediately following the definition of "in writing" added as above:

"reference to a document being executed include reference to its being executed under hand or under seal or, to the extent permitted by, and in accordance with the applicable laws, rules and regulations, by Electronic Signature or by any other method;

reference to a document to the extent permitted by, and in accordance with the applicable laws, rules and regulations, include references to any information in visible form whether having physical substance or not."

- (I) By adding the following words to the end of Bye-Law 26 immediately after the words "at least once in the Newspapers":

"and/or, subject to the Listing Rules, the Statutes and all applicable laws, rules and regulations, in the manner in which notice may be served by the Company by electronic means as herein provided"

- (J) By deleting the full-stop at the end of Bye-Law 70(iv), replacing it with a semicolon and inserting the word "or" after the semicolon and inserting the following new sub-paragraph (v) immediately after Bye-Law 70(iv):

“(v) if required by the Listing Rules, by the Chairman of the meeting and/or Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.”

- (K) By adding the following sentence at the end of Bye-Law 71:
"The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange, these Bye-Laws or applicable Statutes and regulations."

- (L) By deleting the words “a Special Resolution” in Bye-Law 97(A)(vi) and substituting therefor the words "an Ordinary Resolution".

- (M) By deleting the words “special Resolution” in Bye-Law 104 and substituting therefor the words "Ordinary Resolution" and by deleting the words "Special Resolution" and substituting therefor the words "Ordinary Resolution" in marginal note of Bye-Law 104.

- (N) By deleting the existing Bye-Law 167 and the related marginal note in their entirety and substituting therefor the following new Bye-Law 167A:

"167A. Any notice or document (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules), whether or not to be given or issued under the Statutes and/or any applicable laws, rules and regulations or these presents, by the Company, may be served or delivered by the Company upon any member of, and any holder of debentures of, the Company and to any other person who is entitled to receive notices of general meetings of the Company under the provisions of the Statutes and any applicable laws, regulations or rules or of these presents:

- (a) personally;
- (a) by sending it through the post in a prepaid envelope or wrapper addressed to such person at his registered place of address;
- (c) by advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper being in each case a newspaper published daily and circulating generally in Hong Kong and specified or permitted for this purpose by the Statutes and any applicable laws, rules and regulations, and for such period as the Directors shall think fit to the extent permitted by, and in accordance with the applicable laws, rules and regulations;
- (d) By sending or transmitting it as an electronic communication to such person at any telex or facsimile transmission number or electronic number or electronic address or computer network or website supplied by him to the Company for the giving of notice or document from the Company to him to the extent permitted by, and in accordance with, the Statutes and

- any applicable laws, rules and regulations;
- (e) by publishing it on the Company's computer network and giving to such person a notice in accordance with the Statutes and any applicable laws, rules and regulations stating that the notice or other document is available there (a "Notice of Availability") to the extent permitted by, and in accordance with, the Statutes and any applicable laws, rules and regulations. The Notice of Availability may be given to such person by any of the means set out in Bye-Laws 167A(a), 167A(b), 167A(c), 167A(d) or 167A(f); or
 - (f) by sending or otherwise making available to such person through such means to the extent permitted by, and in accordance with, the Statutes, and other applicable laws, rules and regulations."

with the following marginal note:

"Service of notices"

- (O) By adding the following new Bye-Law 167B immediately after the new Bye-Law 167A:

"167B. All notices or other documents with respect to shares standing in the names of joint holders shall be served on or delivered to whichever of such persons is named first in the register of members and any notice or document so served or delivered shall be deemed a sufficient service on or delivery to all the holders of such shares."

with the following marginal note:

"Notice to joint holders"

- (P) By deleting the existing Bye-Law 169 and the related marginal note in their entirety and substituting therefor the following new Bye-Law 169A:

"169A. Subject to the Statutes, any other applicable laws, rules and regulations, any notice or other document (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules) given or issued by or on behalf of the Company:-

- (a) if served or delivered by post, shall be deemed to have been served or delivered on the day following that on which the envelope or wrapper containing the same is posted, and, in proving such service or delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid (and in the case of an address outside the Relevant Territory where airmail service can be extended thereto airmail postage prepaid). addressed and put into the post. A certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board, that the envelope or wrapper containing the notice or other document was so prepaid. addressed and put into the post shall be conclusive evidence thereof;

- (b) if sent or transmitted as an electronic communication in accordance with Bye-Law 167A(d) or through such means in accordance with Bye-Law 167A(f), shall be deemed to have been served or delivered on the day following that on which the relevant despatch or transmission was sent by the Company. A notice or document published on the Company's computer network in accordance with Bye-Law 167A(e) shall be deemed to have been served or delivered on the day following that on which a Notice of Availability is sent to the entitled person. In proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof;
- (c) if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the notice or document was so served or delivered shall be conclusive evidence thereof: and
- (d) if served by advertisement in newspapers in accordance with Bye-Law 167A(c), shall be deemed to have been served on the day on which such notice or document is first published."

With the following marginal note:

"When notice deemed to have been served"

- (Q) By adding the following new Bye-Law 169B immediately after the new Bye-Law 169A:

"169B. Subject to the Statutes and any applicable laws, rules and regulations, where a person has consented to receive notices and other documents (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules) from the Company in the English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver to him any notice or document in such language only in accordance with these presents unless and until there is a notice of revocation or amendment of such consent given or deemed to have been given by such person to the Company in accordance with the Companies Act and the Statutes and any other applicable laws, rules and regulations which revocation or amendment shall have effect in respect of any notice or document to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment."

with the following marginal note:

"Choice of language"

- (R) By deleting the existing Bye-Law 170 and the related marginal note in their entirety and substituting therefor the following new Bye-Law 170:

"170. A notice or document may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member in the manner set out in Bye-Laws 167A and 167B in which the same might have been given if the death, mental disorder or bankruptcy had not occurred."

with the following marginal note:

"Service of notice to persons entitled on death, mental disorder or bankruptcy of a member"

- (S) By deleting the words "Any notice or document delivered or sent by post or left at the registered address of any shareholder in pursuance of these presents" at the beginning of Bye-Law 172 and substituting therefor the following:

"Any notice or document delivered or sent by post or left at the registered address of any shareholder or made available or sent by electronic means in compliance with these Bye-Laws, the Listing Rules, the Statutes and any applicable laws, rules or regulations"

- (T) By deleting the existing Bye-Law 173 in its entirety and substituting therefor the following new Bye-Law 173:

"173. The signature to any notice to be given by the Company may be written or printed by means of facsimile or where relevant, by Electronic Signature in compliance with the Statutes and any applicable laws, rules and regulations."

Zhu Peifeng(sd.)
Chairman of the Meeting

CHINESE PEOPLE GAS HOLDINGS COMPANY LIMITED

中民燃氣控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 681)

An annual general meeting of CHINESE PEOPLE GAS HOLDINGS COMPANY LIMITED (the "Company") held on Thursday, 15 September, 2005 at 11:30 am. at Charter Room 1, Function Room Level (B1), The Ritz-Carlton Hong Kong.

- PRESENT : Mr. Liu Jing
Mr. Mo Shikang
Mr. Zhu Peifeng
Mr. Zhang Hesheng
Mr. Jin Song
Mr. Yan Wing Cheung
- ATTENDENT: : Mr. Ong Chi King
Mr. Edward Wu
- CHAIRMAN : Mr. Mo Shikang was elected Chairman of the Meeting.
- QUORUM : The necessary quorum for the Meeting was present.

FOLLOWING SPECIAL RESOLUTION WAS THE EXTRACT OF THE AGM RESOLUTIONS WHICH DULY PASSED ON 15 SEPTEMBER 2005:

SPECIAL RESOLUTION

6. AMENDMENT TO THE BYE-LAWS OF THE COMPANY:

"THAT:

the bye-laws of the Company be amended as follows:

(a) by deleting bye-law 99 in its entirety and substituting therefor the following:

"99 "Notwithstanding any other provisions in these Bye-Laws and subject to the manner of retirement by rotation of directors as from time to time prescribed under the Listing rules, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest but not less than one-third, shall retire from office by rotation such that each Director to retire (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years at the annual general meeting, provided always that any Director appointed pursuant to bye-laws 102 (A) and

(B) shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. The retiring Directors shall be eligible for re-election. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. The Company at any general meeting at which any Directors retire may fill the vacated offices.";

(b) by deleting bye-law 102(A) in its entirety and substituting therefor the following :

"102(A) "The Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.";

(c) by deleting bye-law 102(B) in its entirety and substituting therefor the following:

"102(B) Without prejudice to the power of the Company in general meeting in accordance with any of the provision of the Bye-Law to appoint any person to be a Director, the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting"."

Mo Shikang (sd.)
Chairman of the Meeting

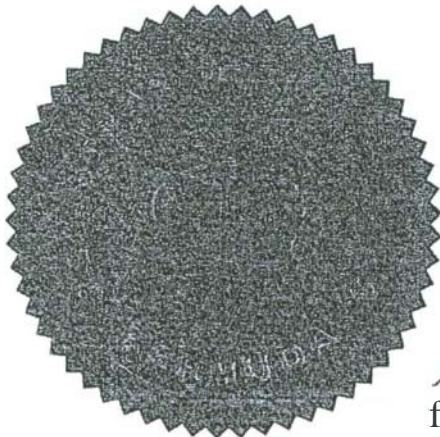
**for identification purpose*



BERMUDA

**CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME**

I HEREBY CERTIFY that in accordance with section 10 of the Companies Act 1981 **KEL HOLDINGS LIMITED** by resolution and with the approval of the Registrar of Companies has changed its name and was registered as **Chinese People Gas Holdings Company Limited** on the **25th** day of **October, 2004**.



Given under my hand and the Seal of
the REGISTRAR OF COMPANIES
this **27th** day of **October, 2004**


for **Registrar of Companies**

KEL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

An Annual General Meeting of KEL Holdings Limited (the "**Company**") held at 11:00 a.m. on Tuesday, 24 August 2004 at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong.

PRESENT : Mr. Tjia Boen Sien
Mr. Wang Jing Ning
Mr. Keung Kwok
Cheung Mr. Mok
Shikang

CHAIRMAN : Mr. Tjia Boen Sien was elected Chairman of the Meeting.

QUORUM : The necessary quorum for the Meeting was present.

THE FOLLOWING WAS THE EXTRACT OF THE AGM RESOLUTIONS DULY PASSED ON 24 AUGUST 2004:

SPECIAL RESOLUTION

1) AMENDMENTS TO THE BYE-LAWS OF THE COMPANY:

"THAT:

- (a) by deleting the existing definition of "associates" in bye-law 1(A) and substituting therefor the following new definition:

"associates" in relation to any Director shall mean:

- (i) his spouse and any of his or his spouse's children or step-children, natural or adopted, under the age of 18 ("family interests");
- (ii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company ("trustee-controlled company") in the equity capital of which the trustees, are directly or indirectly interested so as to exercise or control the exercise of 30 per cent. (or such other amount as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the Board and any other company which is its subsidiary (together the "trustee interests");

- (iii) a holding company of a trustee-controlled company or subsidiary of any such holding company;
- (iv) any company in the equity capital of which, his family interests, any of the trustees referred to in (ii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested (other than through their respective interests in the capital of the Company) so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the Board and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company; and
- (v) any other persons who would be deemed as an "associate" of the Director under the Listing Rules;"

- (b) by deleting the existing definition of "Clearing House" in Bye-law I (A) and substituting therefor the following new definition:

"Clearing House" shall mean a recognised clearing house within the meaning of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or, if the shares of the Company for the time being listed or quoted on a stock exchange, a clearing house or authorised share depository recognised by the laws of the jurisdiction in which such stock exchange is located;"

- (c) by adding the following new definition in bye-law 1(A):

"subsidaries" shall have the meaning ascribed thereto under Rule 1.01 of the Listing Rules;"

- (d) by deleting the existing Bye-law 36 and substituting therefor the following new Bye-law 36:

"36. Subject to these Bye-laws and the Companies Act, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the stock exchange in the Relevant Territory or in any other form accepted by the Board and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time."

- (e) by deleting the existing bye-law 70 and substituting therefor with the following bye-law:

"70. 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 required under the Listing Rules (before or after the declaration of the results of the show of hands or on the withdrawal of any other demand for a poll) or demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any shareholder or shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to attend and vote at the meeting; or
- (iv) by any shareholder or shareholders present in person or by a duly authorised corporate representative or by proxy having the right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all the shares having that right.

Unless a poll be so required or demanded and, in the later case, the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.";

- (f) by deleting the existing bye-law 76 and substituting therefor with the following bye-law:

"76. (A) Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every shareholder who is present in person or by a duly authorised corporate representative shall have one vote, and on a poll every shareholder present in person or by a duly authorised corporate representative or by proxy, shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or installments shall be treated for the purposes of this Bye-Law as paid up on a share). On a poll a shareholder entitled to more than one vote need not use all his votes or cast his votes in the same way.

(B) Where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting for or against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.";

(g) by deleting the existing Bye-law 81 and substituting therefor the following new Bye-law 81:

"81. Any shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at any meeting of the Company or at any meeting of any class of shareholders of the Company. A proxy need not be a shareholder.";

(h) by deleting the existing bye-law 98(E) and substituting therefor with the following bye-law:

"98. (E) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of or terminating the appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately and in such case each of the Directors (if not prohibited from voting under Bye-Law 98(H)) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.";

(i) by deleting the existing bye-law 98(H) and substituting therefor with the following bye-law:

"98. (H) A Director shall not be entitled to vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates has any material interest, and if he shall do so, his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters namely:

(i) the giving of any security or indemnity either:

(a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

- (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company provided that the Director and any of his associates are not in aggregate beneficially interested in 5 per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.";
- (j) by deleting the existing bye-law 98(K) and substituting therefor with the following bye-law:

"98 (K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or any of his associates (other than the Chairman) or as to the entitlement of any Director (other than such Chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associates has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or any of his associates as known to him has not been fairly disclosed to the Board.";

(k) by deleting the existing bye-law 103 and substituting therefor with the following bye-law:

"103. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director, signed by a shareholder (other than the person to be proposed for election as a Director) duly qualified to attend and vote at the meeting for which such notice is given, and a notice in writing signed by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. The minimum length of the period during which such notices are given shall be at least seven days and the period for lodgment of such notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting."

Tjia Boen Sien (sd.)
Chairman of the Meeting



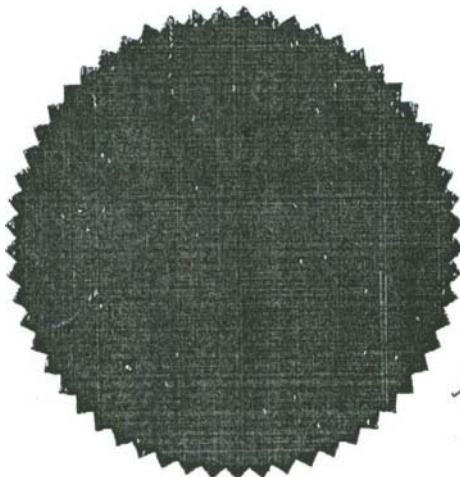
BERMUDA

CERTIFICATE OF DEPOSIT OF MEMORANDUM OF INCREASE OF SHARE CAPITAL

THIS IS TO CERTIFY that a Memorandum of Increase of Share Capital of

KEL HOLDINGS LIMITED

was delivered to the Registrar of Companies on the **23rd** day of **April, 2004** in accordance with section 45(3) of *the Companies Act 1981* ("the Act"),



Given under my hand and Seal of the
REGISTRAR OF COMPANIES this
4th day of **May, 2004**

for **Registrar of Companies**

Capital prior to increase: HK\$ 180,000,000.00

Amount of increase: HK\$ 170,000,000.00

Present Capital: HK\$ 350,000,000.00

LEGAL NOTICE
in the matter of
THE COMPANIES ACT 1981 (AS AMENDED)

NOTICE IS HEREBY GIVEN pursuant to section 46(2)(a) of the

KEL Holding Limited
(the "Company")

intends to:-

- a) reduce the nominal value of the issued share capital of the Company from HK\$0.10 each to HK\$0.07 each so that the issued share capital of the Company of HK\$86,227,765.90 is reduced by HK\$25,868,329.77 to HK\$60,359,436.13;
- b) reduce the nominal value of the authorized share capital of the Company from HK\$0.10 each to HK\$0.07 each so that the authorized share capital of the Company of HK\$180,000,000 divided into 1,800,000,000 shares of par value of HK\$0.10 each is reduced by HK\$54,000,000 to HK\$126,000,000 of 1,800,000,000 shares of par value of HK\$0.07 each;
- c) increase the authorized share capital of the Company from HK\$126,000,000 divided into 1,800,000,000 shares of par value of HK\$0.07 each to HK\$179,999,999.97 divided into 2,571,428,571 shares of par value of HK\$0.07 each; and
- d) credit the sum of HK\$25,868,329.77 arising from the reduction of issued share capital to be applied to set off against an equivalent

amount of the audited accumulated loss of the Company as at 31 March 2002.,

each with effect on 13 May 2003, and further that all of the above are subject to approval by the shareholders of the Company at the Special General Meeting to be held on 12 May 2003 in Hong Kong.

Appleby Spurling & Kempe Bermuda Attorneys
for the Company

KEL HOLDINGS LIMITED

RESOLUTIONS

Passed on the 20th day of March, 1997

By resolution in writing of the sole shareholder of the Company passed pursuant to Section 77 A of the Companies Act 1981 of Bermuda (as amended), the following resolutions were duly passed : -

RESOLUTIONS

1. "THAT the authorised share capital of the Company be increased from HK\$100,000 to HK\$80,000,000 by the creation of an additional 799,000,000 new shares of HK\$0.10 each to rank pari passu with the existing shares in the capital of the Company in all respects."
2. "THAT as consideration for the acquisition (the "Acquisition") by the Company of a total of 2 shares of US\$1.00 each in UDL Kenworth Group Limited, representing its entire issued share capital, from UDL E&M (BVI) Limited (the "Vendor"), the directors of the Company be and are hereby authorised to allot and issue, credited as fully paid, a total of 1,000,000 shares of HK\$0.10 each in the capital of the Company to the Vendor and the Acquisition be and is hereby approved."
3. "THAT conditional on the allotment and issue of the 1,000,000 shares of HK\$0.10 each in the capital of the Company as referred to in Resolution No. 2 set out herein, an amount of HK\$100,000 being part of the amount credited to the contributed surplus account of the Company arising from such allotment and issue of the shares of the Company be capitalised and that the directors of the Company be and are hereby authorised to apply such amount in paying up in full at par the 1,000,000 shares of HK\$0.10 each in the capital of the Company which were allotted and issued nil-paid on 15th November, 1996."

(Sd.) Mrs. Leung Yu Oi Ling, Irene

For and on behalf of
UDL E&M (BVI) Limited
(Sole Shareholder)

Dated the 20th day of March, 1997.

CERTIFICATE OF INCORPORATION

I hereby in accordance with section 14 of the Companies Act 1981 issue this Certificate of Incorporation and do certify that on the 13th day of November, 1996

KEL HOLDINGS LIMITED

was registered by me in the Register maintained by me under the provisions of the said section and that the status of the said company is that of an exempted company.

Given under my hand and Seal of the REGISTRAR OF COMPANIES this 20th day of November, 1996.

(Sd.) Cynthia M. Thomas
for Acting Registrar of Companies

FORM NO. 2

THE COMPANIES ACT 1981
MEMORANDUM OF ASSOCIATION OF
COMPANY LIMITED BY SHARES
(Section 7(1) and (2))

MEMORANDUM OF ASSOCIATION

OF

KEL HOLDINGS LIMITED

.....
(hereinafter referred to as “the Company”)

1. The liability of the members of the Company is limited to the amount (if any) for the time being unpaid on the shares respectively held by them.
2. We, the undersigned, namely,

NAME	ADDRESS	BERMUDIAN STATUS (Yes/No)	NATIONALITY	NUMBER OF SHARES SUBSCRIBED
James M. Keyes	Cedar House, 41 Cedar Avenue, Hamilton, HM 12, Bermuda.	Yes	British	1
Ruby L. Rawlins	Cedar House, 41 Cedar Avenue, Hamilton, HM 12, Bermuda.	Yes	British	1
Bernett Cox	Cedar House, 41 Cedar Avenue, Hamilton, HM 12, Bermuda.	Yes	British	1
Rachael M. Lathan	Cedar House, 41 Cedar Avenue, Hamilton, HM 12, Bermuda.	Yes	British	1

do hereby respectively agree to take such number of shares of the Company as may be allotted to us respectively by the provisional directors of the Company, not exceeding the number of shares for which we have respectively subscribed, and to satisfy such calls as may be made by the directors, provisional directors or promoters of the Company in respect of the shares allotted to us respectively.

3. The Company is to be an exempted Company as defined by the Companies Act 1981

.

4. The Company has power to hold land situate in Bermuda not exceeding in all, including the following parcels –

Not Applicable

5. The authorised share capital of the Company is \$100,000.00 divided into shares of HK ten cents each. The minimum share capital of the Company is \$100,000.00 in Hong Kong currency

6. The objects of the Company are unrestricted. (note 4)

7. The Company shall have the following powers:- (note 4)

(i) The powers of a natural person;

(ii) Subject to the provisions of Section 42 of the Companies Act 1981, to issue preference shares which at the option of the holders thereof are to be liable to be redeemed;

(iii) To purchase its own shares in accordance with the provisions of Section 42A of the Companies Act 1981; and"

Signed by each subscriber in the presence of at least one witness attesting the signature thereof-

(Sd.) James m. Keyes

(Sd.) Walia Lodge

(Sd.) Ruby L. Rawlins

(Sd.) Walia Lodge

(Sd.) Bennett Cox

(Sd.) Walia Lodge

(Sd.) Rachael M. Lathan

(Sd.) Walia Lodge

(Subscribers)

(Witnesses)

SUBSCRIBED this 5th day of November, 1996

THE COMPANIES ACT 1981

SECOND SCHEDULE

(Section 11(2))

A company may be reference include in its memorandum any of the following objects that is to say the business of –

- (a) insurance and re-insurance of all kinds;
- (b) packaging of goods of all kinds;
- (c) buying, selling and dealing in goods of all kinds;
- (d) designing and manufacturing of goods of all kinds;
- (e) mining and quarrying and exploration for metals, minerals, fossil fuels and precious stones of all kinds and their preparation for sale or use;
- (f) exploring for, the drilling for, the moving, transporting and refining petroleum and hydro carbon products including oil and oil products;
- (g) scientific research including the improvement, discovery and development of processes, inventions, patents and designs and the construction, maintenance and operation of laboratories and research centres;
- (h) lands, sea and air undertakings including the land, ship and air carriage of passengers, mails and goods of all kinds;
- (i) ships and aircraft owners, managers, operators, agents, builders and repairers;
- (j) acquiring, owning, selling, chartering, repairing or dealing in ships and aircraft;
- (k) travel agents, freight contractors and forwarding agents;
- (l) dock owners, wharfingers, warehousemen;
- (m) ship chandlers and dealing in rope, canvas oil and ship stores of all kinds;
- (n) all forms of engineering;
- (o) developing, operating, advising or acting as technical consultants to any other enterprise or business;
- (p) farmers, livestock breeders and keepers, graziers, butchers, tanners and processors of and dealers in all kinds of live and dead stock, wool, hides, tallow, grain, vegetables and other produce;

- (q) acquiring by purchase or otherwise and holding as an investment inventions, patents trade marks, trade names, trade secrets, designs and the like;
- (r) buying, selling, hiring, letting and dealing in conveyances of any sort;
- (s) employing, providing, hiring out and acting as agent for artists, actors entertainers of all sorts, authors, composers, producers, directors, engineers and experts or specialists of any kind;
- (t) to acquire by purchase or otherwise hold, sell, dispose of and deal in real property situated outside Bermuda and in personal property of all kinds wheresoever situated; and
- (u) to enter into any guarantee, contract of indemnity or suretyship and to assure, support or secure with or without consideration or benefit the performance of any obligations of any person or persons and to guarantee the fidelity of individuals filling or about to fill situations of trust or confidence.

THE COMPANIES ACT 1981

FIRST SCHEDULE

(Section 11(1))

A company limited by shares may exercise all or any of the following powers subjects to any provision of the law or its memorandum –

1. (Deleted) 404
2. to acquire or undertake the whole or any part of the business, property and liabilities of any person carrying on any business that the company is authorised to carry on;
3. to apply for register, purchase, lease, acquire, hold, use, control, licence, sell, assign or dispose of patents, patent rights, copyrights, trade marks, formulae, licences, inventions, processes, distinctive marks and similar rights;
4. to enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person carrying on or engaged in or about to carry on or engage in any business or transaction that the company is authorised to carry on or engage in or any business or transaction capable of being conducted so as to benefit the company;
5. to take or otherwise acquire and hold securities in any other body corporate having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as to benefit the company;
6. subject to section 96 to lend money to any employee or to any person having dealings with the company or with whom the company proposes to have dealings or to any other body corporate any of whose shares are held by the company;
7. to apply for, secure or acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power authority, franchise, concession, right or privilege, that any government or authority or any body corporate or other public body may be empowered to grant, and pay for, aid in and contribute toward carrying it into effect and to assume any liabilities or obligations incidental thereto;
8. to establish and support or aid in the establishment and support of associations institutions, funds or trusts for the benefit of employees or former employees of the company or its predecessors, or the dependents or connections of such employees or former employees, and grant pensions and allowances, and make payments towards insurance or for any object similar to those set forth in this paragraph, and to subscribe or guarantee money for charitable, benevolent, educational or religious objects or for any exhibition or for any public, general or useful objects;

9. to promote any company for the purpose of acquiring or taking over any of the property and liabilities of the company or for any other purpose that may benefit the company;
10. to purchase, lease, take in exchange, hire or otherwise acquire any personal property and any rights or privileges that the company considers necessary or convenient for the purposes of its business;
11. to construct, maintain, alter, renovate and demolish any buildings or works necessary or convenient for its objects;
12. to take land in Bermuda by way of lease or letting agreement for a term not exceeding twenty-one years, being land "bonafide" required for the purposes of the business of the company and with the consent of the Minister granted in his discretion to take land in Bermuda by way of lease or letting agreement for a similar period in order to provide accommodation or recreational facilities for its officers and employees and when no longer necessary for any of the above purposes to terminate or transfer the lease or letting agreement;
13. except to the extent, if any, as may be otherwise expressly provided in its incorporating Act or memorandum and subject to the provisions of this Act every company shall have power to invest the moneys of the Company by way of mortgage of real or personal property of every description in Bermuda or elsewhere and to sell, exchange, vary, or dispose of such mortgage as the company shall from time to time determine;
14. to construct, improve, maintain, work, manage, carry put or control any roads, ways, tramways, branches or sidings, bridges, reservoirs, watercourses, wharves, factories, warehouse, electric works, shops, stores and other works and conveniences that may advance the interests of the company and contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof;
15. to raise and assist in raising money for, and aid by way of bonus, loan, promise, endorsement, guarantee or otherwise, any person and guarantee the performance or fulfillment of any contracts or obligations of any person, and in particular guarantee the payment of the principal of and interest on the debt obligations of any such person;
16. to borrow or raise or secure the payment of money in such manner as the company may think fit;
17. to draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments;
18. when properly authorized to do so, to sell, lease, exchange or otherwise dispose of the undertaking of the company or any part thereof as an entirety or substantially as an entirety for such consideration as the company thinks fit;

19. to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the company in the ordinary course of its business;
20. to adopt such means of making known the products of the company as may seem expedient, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes and rewards and making donations;
21. to cause the company to be registered and recognized in any foreign jurisdiction, and designate persons therein according to the laws of that foreign jurisdiction or to represent the company and to accept service for and on behalf of the company of any process or suit;
22. to allot and issue fully-paid shares of the company in payment or part payment of any property purchased or otherwise acquired by the company or for any past services performed for the company;
23. to distribute among the members of the company in cash, kind, specie or otherwise as may be resolved, by way of dividend, bonus or any other manner considered advisable, any property of the company, but not so as to decrease the capital of the company unless the distribution is made for the purpose of enabling the company to be dissolved or the distribution, apart from this paragraph, would be otherwise lawful;
24. to establish agencies and branches;
25. to take or hold mortgages, hypothecs, liens and charges to secure payment of the purchase price, or of any unpaid balance of the purchase price, of any part of property of the company of whatsoever kind sold by the company, or for any money due to the company from purchasers and others and to sell or otherwise dispose of any such mortgage, hypothec, lien or charge;
26. to pay all costs and expenses of or incidental to the incorporation and organization of the company;
27. to invest and deal with the moneys of the company not immediately required for the objects of the company in such manner as may be determined;
28. to do any of the things authorized by this subsection and all things authorized by its memorandum as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others;
29. to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the company;

Every company may exercise its powers beyond the boundaries of Bermuda to the extent to which the laws in force where the powers are sought to be exercised permit.

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NEW BYE-LAWS

(As adopted by a Resolution passed on 4 April, 1997)

OF

KEL Holdings Limited

PRELIMINARY

1. (A) The marginal notes to these Bye-Laws shall not be deemed to be part of these Bye-Laws and shall not affect their interpretation and, in the interpretation of these Bye-Laws, unless there be something in the subject or context inconsistent therewith:

Marginal
Notes

"address" shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Bye-Laws; (note 3)

appointed newspaper" shall have the meaning as defined in the Companies Act;

Definitions

"associates", in relation to any Director, shall mean:- (note 1)

- (i) his spouse and any of his or his spouse's children or step-children, natural or adopted, under the age of 18 ("family interests"); (note 1)
- (ii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company ("trustee-controlled company") in the equity capital of which the trustees, are directly or indirectly interested so as to exercise or control the exercise of 30 per cent. (or such other amount as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the Board and any other company which is its subsidiary (together the "trustee interests") (note 1)

- (iii) a holding company of a trustee-controlled company or subsidiary of any such holding company; (note 1)
- (iv) any company in the equity capital of which, his family interests, any of the trustees referred to in (ii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested (other than through their respective interests in the capital of the Company) so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the Board and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company; and (note 1)
- (v) any other persons who would be deemed as an "associate" of the Director under the Listing Rules; (note 1)

"Auditors" shall mean the persons for the time being performing the duties of that office;

"Bermuda" shall mean the Islands of Bermuda;

"the Board" shall mean the board of directors of the Company as constituted from time to time or (as the context may require) the majority of Directors present and voting at a meeting of the Directors at which a quorum is present;

"business day" shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning, such day shall for the purposes of these Bye-Laws be counted as a business day; (note 5)

"these Bye-Laws" or "these presents" shall mean these Bye-Laws in their present form and all supplementary, amended or substituted Bye-Laws for the time being in force;

"call" shall include any instalment of a call;

"capital" shall mean the share capital from time to time of the Company;

"the Chairman" shall mean the Chairman presiding at any meeting of shareholders or of the Board;

"Clearing House" shall mean a recognised clearing house within the meaning of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or, if the shares of the Company for the time being listed or quoted on a stock exchange, a clearing house or authorised share depository recognised by the laws of the jurisdiction in which such stock exchange is located; (note 1)

"the Companies Act" shall mean the Companies Act 1981 of Bermuda as may from time to time be amended;

"the Company-" or "this Company" shall mean KEL Holdings Limited incorporated in Bermuda on the 15th November, 1996.

"corporate representative" means any person appointed to act in that capacity pursuant to Bye-laws 87A or 87B.

"debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder";

"Designated Stock Exchange" means a stock exchange in respect of which the shares of the Company are listed or quoted and where such stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company; (note 3)

"Director" means a director of the Company;

"dividend" shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;

"electronic" means relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as amended from time to time; (note 3)

"electronic communication" means a communication sent by electronic means; (note 3)

"electronic means" means the transmission of any communication from the Company in any form through any medium (including but not limited to electronic mail or publication on the Company's website, or publication on the Company's computer network or publication on the website of the Designated Stock Exchange); (note 3)

"Electronic Signature" means an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication; (note 3)

"full financial statements" shall mean the financial statements that are required under section 87(1) of the Companies Act as may be amended from time to time"; (note 5)

"Head office" shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China; (note 3)

"HK\$" shall mean Hong Kong dollars or other lawful currency of Hong Kong;

"holding company" and "subsidiary" shall have the meanings ascribed to them by the Companies Act;

"Listing Rules" means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as from time to time supplemented, amended, substituted or replaced; (note 3)

"month" shall mean a calendar month;

"Newspapers", in relation to the publication in newspapers of any notice, shall mean in English in one leading English language daily newspaper and in Chinese in one leading Chinese language daily newspaper published and circulating generally in the Relevant Territory and specified for this purpose by the stock exchange in the Relevant Territory;

"paid up" in relation to a share, shall mean paid up or credited as paid up;

"the Principal Register" shall mean the register of shareholders of the Company maintained in Bermuda;

"the register" shall mean the Principal Register and any branch register to be kept pursuant to the provisions of the Statutes;

"Registered Office" shall mean the registered office of the Company for the time being;

"Registration Office" shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered;

"Relevant Territory" shall mean Hong Kong or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a stock exchange in such territory;

"Seal" shall mean any one or more common seals from time to time of the Company for use in Bermuda or in any place outside Bermuda;

"Secretary" shall mean the person or corporation for the time being performing the duties of that office;

"Securities Seal" shall mean a seal for use for sealing certificates for shares or other securities issued by the Company which is a facsimile of the Seal of the Company with the addition on its face of the words "Securities Seal";

"share" shall mean share in the capital of the Company;

"shareholder" shall mean the duly registered holder from time to time of the shares in the capital of the Company;

"Statutes" means the Companies Act, the Electronic Transactions Act 1999 of Bermuda, and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents; (note 3)

"summarized financial statements" shall have the meaning ascribed to them in the section 87A(3) of the Companies Act as may be amended from time to time; (note 5)

"subsidiaries" shall have the meaning ascribed thereto under Rule 1.01 of the Listing Rules' (note 1)

"Transfer Office" shall mean the place where the Principal Register is situate for the time being;

"in writing" means written or printed or printed by lithography or printed by photography or typewritten or produced by any other mode of representing words in a visible form or, to the extent permitted by, and in accordance with the applicable Statutes, rules and regulations. any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form; (note 3)

reference to a document being executed include reference to its being executed under hand or under seal or, to the extent permitted by, and in accordance with the applicable laws, rules and regulations, by Electronic Signature or by any other method; (note 3)

reference to a document to the extent permitted by, and in accordance with the applicable laws, rules and regulations, include references to any information in visible form whether having physical substance or not (note 3)

- (B) In these Bye-Laws, unless there be something in the subject or context inconsistent herewith: General

words denoting the singular shall include the plural and words denoting the plural shall include the singular;

words importing any gender shall include every gender and words importing persons shall include partnerships, firms, companies and corporations;

subject as aforesaid, any words or expressions defined in the Companies Act (except any statutory modification thereof not in force when these Bye-Laws become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Bye-Laws, save that "company" shall where the context permits include any company incorporated in Bermuda or elsewhere; and

references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

- (C) A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of votes cast by such shareholders as, being entitled so to do, vote in person or, in the case of such shareholder as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given pursuant to Bye-Law 63. (note 5) Special Resolution

(D) a resolution shall be an Ordinary Resolution when it has been passed by a simple majority of votes cast by such shareholders as, being entitled so to do, vote in person or, in the case of any shareholder being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given pursuant to Bye-Law 63; (note 5)

Ordinary Resolution

(E) A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Bye-Laws or the Statutes.

Special Resolution effective as Ordinary Resolution

2. Without prejudice to any other requirements of the Statutes, a Special Resolution shall be required to alter the Memorandum of Association, to approve any amendment of these presents or to change the name of the Company.

When Special Resolution is required

SHARES, WARRANTS AND MODIFICATION OF RIGHTS

3. Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine) and any preference share -may, subject to the Companies Act and with the sanction of a Special Resolution, be issued on the terms that it is liable to be redeemed upon the happening of a specified event or upon a given date and either at the option of the Company or, if so authorised by the Memorandum of Association of the Company, at the option of the holder

Issue of shares

4. The Board may, subject to the approval by the shareholders in general meeting, issue warrants to subscribe for any class of shares or securities of the Company on such terms as the Board may from time to time determine. Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate. Warrants
5. (A) For the purposes of Section 47 of the Companies Act, if at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Act, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Bye-Laws relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be not less than two persons holding or representing by proxy one-third in nominal value of the issued shares of that class, and that any holder of shares of the class present in person or by proxy or by a duly authorised corporate representative may demand a poll. How rights of shares may be modified
- (B) The provisions of this Bye-Law shall apply to the variation or abrogation of the special rights attached to the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied or abrogated.
- (C) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

SHARES AND INCREASE OF CAPITAL

6. (A) The authorised share capital of the Company at the date on which these Bye-Laws come into effect is HK\$80,000,000 divided into 800,000,000 shares of HK\$0.10 each.
- (B) Subject to the Statutes, the power contained in the Memorandum of Association for the Company to purchase or otherwise acquire its shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit. Company to purchase its own shares
- (C) Subject, where applicable, to the rules of any relevant stock exchange, the Company may in accordance with an employees' share scheme approved by the shareholders in general meeting provide money on such terms as the Board thinks fit for the acquisition of fully or partly paid shares in the Company or its holding company. For the purposes of this Bye-Law, an employees' share scheme is a scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of bona fide employees or former employees (including, notwithstanding Section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) of the Company, a subsidiary of the Company or holding company or a subsidiary of the Company's holding company, or the wives, husbands, widows, widowers or children or step-children under the age of twenty-one of such employees or former employees. Company to finance acquisition shares
- (D) Subject, where applicable, to the rules of any relevant stock exchange, the Company, a subsidiary of the Company or holding company or a subsidiary of the Company's holding company may make loans to persons (including, notwithstanding Section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) employed in good faith by the Company with a view to enabling those persons to acquire fully or partly paid shares in the Company or its holding company to be held by them by way of beneficial ownership.

(E) The conditions subject to which money and loans are provided under paragraphs (C) and (D) of this Bye-Law may include a provision to the effect that when an employee ceases to be employed by the Company, the shares acquired with such financial assistance shall or may be sold to the Company on such terms as the Board thinks fit.

7. The Company in general meeting may from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by Ordinary Resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such class or classes and of such amounts in Hong Kong dollars or United States dollars or such other currency as the shareholders may think fit and as the resolution may prescribe. Power to increase capital
8. Any new shares shall be issued upon such terms and conditions and with such rights, privileges or restrictions annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Statutes and of these Bye-Laws, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special right or without any right of voting. On what conditions new shares may be issued
9. The Company may by Ordinary Resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, and either at par or at a premium, to all the existing holders of any class of shares in proportion as nearly as may be to the number of shares of such class held by them respectively, or make any other provisions as to the issue and allotment of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same. When to be offered to existing shareholders

10. Except so far as otherwise provided by the conditions of issue or by these Bye-Laws, any capital raised by the creation of new shares shall be treated as if formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Bye-Laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise. New shares to form part of original capital
11. All unissued shares shall be at the disposal of the Board and it may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount. The Directors shall, as regards any offer or allotment of shares, comply with the provisions of the Companies Act, if and so far as such provisions may be applicable thereto. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever. Shares at the disposal of the Board
12. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies Act shall be observed and complied with, and in each case the commission shall not exceed ten per cent. of the price at which the shares are issued. Company may pay commission

13. Except as otherwise expressly provided by these Bye-Laws or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any shares except an absolute right to the entirety thereof of the registered holder.
- Company not to recognise trusts in respect of shares

REGISTER OF SHAREHOLDERS AND SHARE CERTIFICATES

14. (A) The Board shall cause to be kept a register of the shareholders and there shall be entered therein the particulars required under the Companies Act.
- Share register
- (B) Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a local or branch register at such location outside Bermuda as the Board thinks fit and, while the issued share capital of the Company is, with the consent of the Board, listed on any stock exchange in the Relevant Territory, the Company shall keep a branch register in the Relevant Territory.
- Local or branch register
15. Every person whose name is entered as a shareholder in the register shall be entitled without payment to receive within two months after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide or, such shorter period as such stock exchange may from time to time prescribe) one certificate for all his shares, or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot for the purposes of the stock exchange on which the shares are listed, upon payment, in the case of a transfer, of such sum (not exceeding in the case of any share capital listed on a stock exchange in the Relevant Territory, HKS2.50 or such greater sum as such stock exchange may from time to time permit, and in the case of any other shares, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such other sum as
- Share Certificates

the Company may by Ordinary Resolution determine) for every certificate after the first as the Board may from time to time determine, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of the joint holders shall be sufficient delivery to all such holders.

16. Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the Seal of the Company, which for this purpose may be a Securities Seal. Share certificates to be sealed

17. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares. Share certificate to specify number and class of shares

18. (A) The Company shall not be bound to register more than four persons as joint holders of any share. Joint holders

- (B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notice and, subject to the provisions of these Bye-Laws, all or any other matter connected with the Company, except the transfer of the shares.

19. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, (not exceeding, in the case of any share capital listed on a stock exchange in the Relevant Territory, I\$KS2.50 or such greater sum as such stock exchange may from time to time permit, and, in the case of any other capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such sum as the Company may by Ordinary Resolution determine) as the Board shall from time to time determine and on such terms and conditions, if any, as to publication of notices, evidence and indemnity as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.
- Replacement of share certificates

LIEN

20. The Company shall have a first and paramount lien and charge on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share. The Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a shareholder, whether singly or jointly with any other person or persons, for all the debts and liabilities of such shareholders or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such shareholder, 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 shareholder or his estate and any other person, whether a shareholder of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempt wholly or partially from the provisions of this Bye-Law.
- Company's lien

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| 21. | The Company may sell, in such manner as the Board thinks fit, any shares 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 or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled to the shares by reason of such holder's death, bankruptcy or winding-up. | Sale of shares
subject to lien |
| 22. | The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement 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 the purpose of giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in relating to the sale. | Application of
proceeds of sale |

CALLS ON SHARES

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| 23. | The Board may from time to time make such calls as it may think fit upon the shareholders in respect of any moneys unpaid on the shares held by them respectively (whether on account of the nominal value of shares or by way of premium) and not by the conditions of issue or allotment thereof made payable at a fixed time. A call may be made payable either in one sum or by instalments. | Calls / instal-ments |
| 24. | Fourteen days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid. | Notice of call |
| 25. | A copy of the notice referred to in Bye-Law 24 shall be sent to shareholders in the manner in which notices may be sent to shareholders by the Company as herein provided. | Copy of notice to
be sent to
shareholders |

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| 26. | In. addition to the giving of notice in accordance with Bye-Law 25, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the shareholders by notice to be published at least once in the Newspapers and/or, subject to the Listing Rules, the Statutes and all applicable laws, rules and regulations, in the manner in which notice may be served by the Company by electronic means as herein provided. (note 3) | Notice of call may be given |
| 27. | Every shareholder upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint | Time and place for payment of call |
| 28. | A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. | When call deemed to have been made |
| 29. | The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof. | Liability of joint holders |
| 30. | The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as regards all or any of the shareholders whom due to residence outside the Relevant Territory or other cause the Board may deem entitled to any such extension but no shareholder shall be entitled to any such extension except as a matter of grace and favour. | Board may extend time fixed for call |
| 31. | If the sum payable in respect of any call or instalments is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding twenty per cent. per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part. | Interest on unpaid calls |

32. No shareholder shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another shareholder) at any general meeting, either personally, or (save as proxy for another shareholder) by proxy or by a duly authorised corporate representative, or be reckoned in a quorum, or to exercise any other privilege as a shareholder until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid. Suspension of privileges while call unpaid
33. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the shareholder sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution of the Board making the call has been duly recorded in the minute book of the Board; and that notice of such call was duly given to the shareholder sued, in pursuance of these Bye-Laws; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. Evidence in action for call
34. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium, shall for all purposes of these Bye-Laws be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Bye-Laws as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment. Sums payable on allotment deemed a call
Shares may be issued subject to different conditions as to calls, etc.
35. The Board may, if it thinks fit, receive from any shareholder willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty per cent. per annum as the Board may decide but a payment in advance of a call shall not entitle the shareholder to receive any dividend or to exercise any other rights or privileges as a shareholder in respect of the share or the due portion of the shares upon Payment of calls in advance

which payment has been advanced by such shareholder before it is called up. The Board may at any time repay the amount so advanced upon giving to such shareholder not less than one month's notice in writing of their intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

TRANSFER OF SHARES

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| 36. | Subject to these Bye-laws and the Companies Act, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the stock exchange in the Relevant Territory or in any other form accepted by the Board and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time. Note 1) | Form of transfer |
| 37. | The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case in which it thinks fit, in its absolute discretion, to do so. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof Nothing in these Bye-Laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person. | Execution of transfer |
| 38. | <p>(A) The Board may, in its absolute discretion, at any time and from time to time transfer any share upon the Principal Register to any branch register or any share on any branch register to the Principal Register or any other branch register.</p> <p>(B) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time stipulate, and which agreement it shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold) no shares on the Principal Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Principal Register or any other branch</p> | Shares registered on principal register, branch register, etc. |

register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Principal Register, at the Transfer Office. Unless the Board otherwise agrees, all transfers and other documents of title shall be lodged for registration with, and registered at, the relevant Registration Office.

- (C) Notwithstanding anything contained in this Bye-Law, the Company shall as soon as practicable and on a regular basis record in the Principal Register all transfers of shares effected on any branch register and shall at all times maintain the Principal Register in all respects in accordance with the Companies Act.

39. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or any share issued under any share option scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register a transfer of any share (whether fully paid up or not) to more than four joint holders or a transfer of any shares (not being a fully paid up share) on which the Company has a lien.

Board may refuse to a register a transfer

40. The Board may also decline to recognise any instrument of transfer unless:-

Requirement as to transfer

- (i) such sum, if any, (not exceeding, in the case of any share capital listed on a stock exchange in the Relevant Territory, HK\$2.50 or such greater sum as such stock exchange may from time to time permit, and, in the case of any other capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such sum as the Company may by Ordinary Resolution determine) as the Board shall from time to time determine is paid to the Company in respect thereof has been paid;
- (ii) the instrument of transfer is lodged at the relevant Registration

Office or, as the case may be, the Transfer Office accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf the authority of that person so to do);

- (iii) the instrument of transfer is in respect of only one class of share;
- (iv) the shares concerned are free of any lien in favour of the Company;
- (v) if applicable, the instrument of transfer is properly stamped; and
- (vi) where applicable, the permission of the Bermuda Monetary Authority with respect thereto has been obtained.

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| 41. | No transfer of any shares (not being a fully paid up share) shall be made to an infant or to a person of unsound mind or under other legal disability. | No transfer to an infant |
| 42. | If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal. | Notice of refusal |
| 43. | Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the instrument of transfer. | Certificate to be given up on transfer |

44. The registration of transfers may be suspended and the register closed on giving notice by advertisement in an appointed newspaper and in the Newspapers at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares. The register shall not be closed for more than thirty days in any year.
- When transfer books and register may be closed

TRANSMISSION OF SHARES

45. In the case of the death of a shareholder, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing 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.
- Deaths of registered holder or of joint holder of shares
46. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a shareholder may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.
- Registration of personal representatives and trustees in bankruptcy
47. If the person becoming entitled to a share pursuant to Bye-Law 46 shall elect to be registered himself as the holder of such share he shall deliver or send to the Company a notice in writing signed by him at (unless the Board otherwise agrees) the Registration Office, stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such shares to his nominee, All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the shareholder had not occurred and the notice or transfer were a transfer executed by such shareholder.
- Notice of election to be registered and registration of nominee

48. A person becoming entitled to a share by reason of the death, bankruptcy or winding -up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-Law 77 being met, such a person may vote at general meetings of the Company.
- Retention of dividends, etc. until transfer or transmission of shares of a deceased or bankrupt share holder

FORFEITURE OF SHARES

49. If a shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Bye-Law 32, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may thereafter accrue up to the date of actual payment.
- If call or instalment not paid notice may be given
50. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being either the Registered Office or a Registration Office. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
- Content of notice of call
51. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Bye-Laws to forfeiture shall include surrender.
- If notice not complied with shares may be forfeited

52. Any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit..
- Forfeited shares to become property of Company
53. A person whose shares have been forfeited shall cease to be a shareholder in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the forfeited shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding twenty per cent, per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-Law any sum which by the terms of issue of a share, is payable thereon. at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that such time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.
- Arrears to be paid notwithstanding forfeiture
54. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered 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. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon 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, sale or disposal of the share.
- Evidence of forfeiture and transfer of forfeited share

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| 55. | When any share shall have been forfeited, notice of the forfeiture shall be given to the shareholder in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry. | Notice after forfeiture |
| 56. | Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the shares so forfeited to be bought back or redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares, and upon such further terms (if any) as it thinks fit. | Power to redeem forfeited shares |
| 57. | The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payment thereon. | Forfeiture not to prejudice Company's right to call or instalment payment |
| 58. | <p>(A) The provisions of these Bye-Laws as to forfeiture shall apply in the case of non-payment of any sum which, by 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.</p> <p>(B) In the event of a forfeiture of shares the shareholder shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect.</p> | Forfeiture for non-payment of any sum due on shares |

ALTERATION OF CAPITAL

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| 59. | <p>(A) The Company may from time to time by Ordinary Resolution:-</p> <p style="padding-left: 40px;">(i) increase its capital as provided by Bye-Law 7;</p> | <p>Increase in capital, consolidation and</p> |
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- (ii) consolidate or divide all or any of its share capital into shares of larger amount than its existing shares; and on any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into a consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interest or may be paid to the Company for the Company's benefit;
- division of capital and sub-division, cancellation of shares and re-denomination etc.
- (iii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Companies Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares;

- (v) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;
- (vi) make provision for the issue and allotment of shares which do not carry any voting rights; and
- (vii) change the currency denomination of its share capital.

- (B) The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or any share premium account or other undistributable reserve in any manner authorised and subject to any conditions prescribed by law. Reduction of capital

GENERAL MEETINGS

- 60. (A) The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. When annual general meeting to be held

- (B) (i) Except in the case of the removal of auditors or Directors, anything which may be done by Ordinary Resolution or Special Resolution in general meeting may be done by resolution in writing, signed by the required majority of the Shareholders or any class thereof or their proxies, or in the case of a Shareholder that is a corporation (whether or not a company within the meaning of the Companies Act) by its representative on behalf of such Shareholder, being the required majority of the Shareholders of the Company or any class thereof who at the date of the notice of the resolution in writing would be entitled to attend a meeting and vote on the resolution. Such resolution in writing may be signed in as many counterparts as may be necessary. (note 4)
- (ii) Notice of any resolution in writing to be made under this Bye-Law shall be given, and a copy of the resolution shall be circulated, in the same manner as that required for a notice of a general meeting of the Company at which the resolution could have been considered, except that the length of the period of notice shall not apply. (note 4)
- (iii) The accidental omission to give notice of, or to circulate a copy of, a resolution in writing to be made under this Bye-Law, or the non-receipt of such notice or copy by, any person entitled to receive such notice or copy shall not invalidate the passing of the resolution. (note 4)
- (iv) For the purposes of this Bye-Law, the date of the resolution in writing is the date when the resolution is signed by, or on behalf of, the Shareholder who establishes the majority of votes required for the passing of the resolution and any reference in any enactment to the date of passing of a resolution is, in relation to a resolution in writing made in accordance with this Bye-Law, a reference to such date. (note 4)

- (v) A resolution in writing made in accordance with this Bye-Law is as valid as if it had been passed by the Company in general meeting or, if applicable, by a meeting of the relevant class of Shareholders of the Company, as the case may be. A resolution in writing made in accordance with this Bye-Law shall constitute minutes for the purposes of the Companies Acts and these Bye-Laws. (note 4)

- 61. All general meetings other than annual general meetings shall be called special general meetings. Special general meeting
- 62. The Board may, whenever it thinks fit, convene a special general meeting, and special general meetings shall also be convened on requisition, as provided by the Companies Act, and, in default, may be convened by the requisitionists. Convening of special general meeting
- 63. (1) An annual general meeting shall be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by notice of not less than fourteen (14) clear days and not less than ten (10) clear business days. Subject to the Companies Act and the rules of the Designated Stock Exchange, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:- (note 5)
 - (a) in the case of a meeting called as an annual general meeting, by all the shareholders entitled to attend and vote thereat; and (note 5) Notice of meetings
 - (b) in the case of any other meeting, by a majority in number of the shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right. (note 5)

(2) The period of notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held, and the notice should specify the time and place of the meeting and, in case of special business, the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all shareholders other than to such shareholders as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence to the death or bankruptcy or winding-up of a shareholder and to each of the Directors and the Auditors. (note 5)

64. (A) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceedings at any such meeting.

Omission to give notice

(B) In the case where instruments of proxy are sent out with any notice, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice of the relevant meeting shall not invalidate any resolution passed or any proceeding at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

65. All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting with the exception of sanctioning dividends, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of ordinary or extra or special remuneration to the Directors.

Special business.
business of annual
general meeting

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| 66. | For all purposes the quorum for a general meeting shall be two shareholders present in person or by a duly authorised corporate representative or by proxy and entitled to vote. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting. | Quorum |
| 67. | If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of shareholders, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board. | When if quorum not present meeting to be dissolved and when to be adjourned |
| 67(A). | A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. (note 4) | Methods of attending meetings of Shareholders |
| 68. | The Chairman (if any) of the Board or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy Chairman, or, if at any general meeting neither of such Chairman or Deputy Chairman is present within fifteen minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Directors present shall choose one of their number as Chairman, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the shareholders present shall choose one of their number to be Chairman. | Chairman of general meeting |

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| 69. | The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no shareholder shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. | Power to adjourn general meeting, business of adjourned meeting |
| 70. | A resolution put to the vote of a meeting shall be decided by way of a poll (notes 1, 3, 4 and 5) | What is to be evidence of the passing of a resolution where poll not demanded |
| 71. | The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange. (notes 3 and 5) | Poll |
| 72. | “intentionally deleted” (note 5) | In what case poll taken without adjournment |
| 73. | In the case of equality of votes, the Chairman of such general meeting shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive. (notes 4 and 5) | Chairman to have casting vote |
| 74. | “intentionally deleted” (note 5) | |
| 75. | For the purposes of section 106 of the Companies Act, a Special Resolution of the Company, and of any relevant class of shareholders, shall be required to approve any amalgamation agreement as referred to in that section. | Approval of amalgamation agreement |

VOTES OF SHAREHOLDERS

76. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every shareholder present in person or by a duly authorized corporate representative or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Bye-Law as paid up on the share). On a poll, a shareholder entitled to more than one vote need not use all his votes or cast his votes in the same way. (notes 1 and 5) Votes of share-holders
77. Any person entitled under Bye-Law 46 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof. Votes in respect of deceased and bankrupt share-holders
78. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased shareholder in whose name any share stands shall for the purposes of this Bye-Law be deemed joint holders thereof. Joint holders

79. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to such place or one of such places (if any) as is specified in accordance with these Bye-Laws for the deposit of instruments of proxy or, if no place is specified, at the Registration Office. (note 5)
- Votes of shareholder of unsound mind
80. (A) Save as expressly provided in these Bye-Laws, no person other than a shareholder duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another shareholder) either personally or by proxy or to be reckoned in a quorum (save as proxy for another shareholder), at any general meeting.
- Qualification for voting
- (B) 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, whose decision shall be final and conclusive.
- Objections to votes
81. Any shareholder of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by a duly authorised corporate representative or by proxy. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder. In addition, a proxy or proxies representing either an individual shareholder or a shareholder which is a corporation shall be entitled to exercise the same powers on behalf of the shareholder which he or they represent as such shareholder could exercise. (notes 1 and 5)
- Proxies

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| 82. | The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. | Instrument appointing proxy to be deposited |
| 83. | The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office) not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting in a case where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked. (note 5) | Appointment of proxy must be deposited |
| 84. | Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve. | Form of proxy |
| 85. | The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy and to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit. Provided that any form issued to a shareholder for use by him for appointing a proxy to attend and vote at a special general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the shareholder, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. (note 5) | Authority under instrument appointing proxy |

86. A vote given in accordance with the terms an instrument of proxy or power of attorney or by a duly authorised corporate representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other 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 as aforesaid shall have been received by the Company at its Registration Office, or at such other place as is referred to in Bye-Law 83, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.
- When vote by proxy valid though authority revoked
87. (A) Any corporation which is a shareholder of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its corporate representative at any meeting of the Company or of any class of shareholders of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual shareholder of the Company. References in these Bye- Laws to a shareholder present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a shareholder represented at the meeting by such duly authorised corporate representative or by one or more proxies. Nothing contained in this Bye-law shall prevent a corporation which is a shareholder of the Company from appointing one or more proxies to represent it pursuant to Bye-law 81.

- (B) If a Clearing House (or its nominee) is a shareholder of the Company, it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its corporate representative or representatives, to the extent permitted by the Companies Act, at any meeting of the Company or at any meeting of any class of shareholders of the Company provided that, if more than one proxy or corporate representative is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or corporate representative is so appointed. A person so appointed under the provisions of this Bye-law shall be entitled to exercise the same powers on behalf of the Clearing House (or its nominee) which he represents as that Clearing House (or its nominee) could exercise as if it were an individual shareholder including the right to vote individually on a show of hands notwithstanding the provisions of Byelaws 76 and 81;

REGISTERED OFFICE

88. The Registered Office shall be at such place in Bermuda as the Board shall from time to time appoint. Registered office

BOARD OF DIRECTORS

89. The number of Directors shall not be less than two. The Company shall keep at the Registered Office a register of its directors and officers in accordance with the Statutes. Constitution of Board
90. The Company in general meeting may by Ordinary Resolution elect a person or persons qualified to be Directors to act as Directors in the alternative to any of the Directors of the Company or may authorise the Board to appoint such alternate Directors. Any alternate Director may be removed by the Company in general meeting by Ordinary Resolution and, if appointed by the Board, may be removed by the Board and, subject thereto, the office of alternate Director shall continue until the next annual election of Directors in accordance with Bye-Law 99 or, if earlier, the date on which the relevant Director ceases to be a Director. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director. Alternate Directors

91. (A) A Director may at any time, by notice in writing signed by him delivered to the Registered Office or to the Head Office or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director such appointment unless previously approved by the Board shall have effect only upon and subject to being so approved. The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
- (B) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the ordinary remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- (C) An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-Laws shall apply as if he were a Director.

- (D) Every person acting as an alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the provisions of these Bye-Laws relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him.
- (E) Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- (F) No alternate Director shall by virtue of that position be a director for the purposes of the Companies Act, but shall nevertheless be subject to the provisions of the Companies Act in so far as they relate to the duties and obligations of directors (other than the obligations to hold any qualifying share in the Company) when performing the functions of a Director.

- 92. A Director or an alternate Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and all meetings of any class of shareholders of the Company. Attendance at general meeting
- 93. The Directors shall be entitled to receive by way of remuneration for their services as Directors such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees. Directors' remuneration

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| 94. | The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged in the business of the Company or in the discharge of their duties as Directors. | Director' expenses |
| 95. | The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as the Board may determine. | Special remuneration |
| 96. | (A) Notwithstanding Bye-Laws 93, 94 and 95, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or an Executive Director or a Director appointed to any other office in the management of the Company may from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director. | Remuneration of Managing Directors, etc. |
| | (B) Payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in. general meeting. | Payments for compensation for loss of office |
| 97. | (A) A Director shall vacate his office:- | When office of Director to be |
| | (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; | vacated |

- (ii) if he becomes a lunatic or of unsound mind;
- (iii) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited by law from acting as a Director;
- (v) if by notice in writing delivered to the Company at its Registered Office or at the Head Office he resigns his office;
- (vi) if he shall be removed from office by a Ordinary Resolution of the Company under Bye-Law 104. (note 3)

(B) No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.

98. (A) Subject to the Companies Act, a Director may hold any other office or place of profit with the Company (except that of Auditors) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for, by or pursuant to any other Bye-Law Directors' interest

- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditors) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (C) A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested, and shall not be liable to account to the Company or the shareholders for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (D) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).
- (E) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of or terminating the appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately and in such case each of the Directors (if not prohibited from voting under Bye-Law 98(H)) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.(note 1)

- (F) Subject to the Companies Act and to the next paragraph of this Bye-Law, no Director or proposed or intended Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement 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 or the shareholders for any remuneration, profit or other benefits realised by any such contract or arrangement, by reason only of such Director holding that office or the fiduciary relationship thereby established
- (G) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Bye-Law, a general notice to the Board by a Director to the effect that (a) he is a shareholder of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Bye-Law in relation to any such contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

(H) A Director shall not be entitled to vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates has any material interest, and if he shall do so, his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters namely: (note 1)

- (i) the giving of any security or indemnity either:
 - (a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or (note 1)
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security; (note 1)
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer; (note 1)

- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company provided that the Director and any of his associates are not in aggregate beneficially interested in 5 per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights; (note 1)

- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including: (note 1)
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or (note 1)

 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and (note 1)

- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.. (note 1)
- (vi) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme which relates both to Directors and employees of the Company or of any of its subsidiaries and does not give the Director any privilege not - generally accorded to the class of persons to whom such scheme or fund relates; and
- (vii) any proposal or arrangement concerning the adoption, modification or operation of any employees' share scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of, the employees of the Company or its subsidiaries under which the Director may benefit.

(I) A company shall be deemed to be a company in which a Director together with any of his associates owns five (5) per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he together with his associates is (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights of any class of shares available to shareholders of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in

which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.

(J) Where a company in which a Director together with any of his associates holds five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.

(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or any of his associates (other than the Chairman) or as to the entitlement of any Director (other than such Chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associates has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or any of his associates as known to him has not been fairly disclosed to the Board. (note 1)

APPOINTMENT AND RETIREMENT OF DIRECTORS

99. Notwithstanding any other provisions in these Bye-Laws and subject to the manner of retirement by rotation of directors as from time to time prescribed under the Listing rules, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest but not less than one-third, shall retire from office by rotation such that each Director to retire (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years at the annual general meeting, provided always that any Director appointed pursuant to bye-laws 102 (A) and (B) shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. The retiring Directors shall be eligible for re-election. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. The Company at any general meeting at which any Directors retire may fill the vacated offices. (note 2)
100. If at any general meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:-
- (i) it shall be determined at such meeting to reduce the number of Directors; or
 - (ii) it is expressly-resolved at such meeting not to fill up such vacated offices; or
 - (iii) in any such case the resolution for re-election of a Director is put to the meeting and lost; or
 - (iv) such Director has given notice in writing to the Company that he is not willing to be re-elected.
- Rotation and retirement of Directors
- Retiring Directors to remain in office until successors appointed

101	The Company in general meeting shall from time to time fix and may from time to time by Ordinary Resolution increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.	Power of general meeting to increase or reduce number of Directors
102	<p>(A) The Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. (note 2)</p> <p>(B) Without prejudice to the power of the Company in general meeting in accordance with any of the provision of the Bye-Law to appoint any person to be a Director, the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. (note 2)</p>	Appointment of Directors
103	No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director, signed by a shareholder (other than the person to be proposed for election as a Director) duly qualified to attend and vote at the meeting for which such notice is given, and a notice in writing signed by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. The minimum length of the period during which such notices are given shall be at least seven days and the period for lodgment of such notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting. (note 1)	Notice of proposed Director to be given

104	The Company may by Ordinary Resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Bye-Laws or in any agreement between the Company and such Director (but without prejudice to any <u>claim</u> which such Director may have for damages for any breach of any contract between him and the Company) and may elect another person in his stead. Any person so elected shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at such meeting, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. (note 3)	Power to remove Director by Ordinary Resolution (note 3)
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BORROWING POWERS

105	The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.	Power to borrow
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106	The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.	Conditions on which money may be borrowed
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107	Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.	Assignment of debentures etc.
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108	Any debentures, debenture stock, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.	Special privileges of debentures etc.
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109	(A) The Board shall cause a proper register to be kept of all mortgages and charges specifically affecting the property of the Company and shall duly comply with such provisions of the Companies Act with regard to the registration of mortgages and charges as may be specified or required.	Register of charges to be kept
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(B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.

Register of debentures or debenture stock

110. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.

Mortgage of uncalled capital

MANAGING DIRECTORS, ETC.

111. The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Bye-Law 96.

Powers to appoint Managing Directors, etc.

112. Every Director appointed to an office under Bye-Law 111 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company, be liable to be dismissed or removed therefrom by the Board.

Removal of Managing Director, etc.

113. A Director appointed to an office under Bye-Law 111 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

Cessation of appointment

114. The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

Powers may be delegated

MANAGEMENT

115. (A) The management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities expressly conferred upon it by these Bye-Laws, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and which are not hereby or by the Statutes expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Statutes and of these Bye-Laws and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Bye-Laws, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- General powers of Company vested in Board
- (B) Without prejudice to the general powers conferred by these Bye-Laws, it is hereby expressly declared that the Board shall have the following powers:-
- (i) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium and on such other terms as may be agreed; and
 - (ii) to give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

MANAGERS

116. The Board may from time to time appoint a general manager, manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.
- Appointment and remuneration of managers

117. The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as it may think fit.

Tenure of office and powers

118. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in its absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

Terms and conditions of appointment

CHAIRMAN AND OTHER OFFICERS

119. The Board may from time to time elect one of its body to the office of Chairman of the Company and another to be the Deputy Chairman of the Company and may from time to time elect or otherwise appoint other officers and determine the period for which, each of them is to hold office. The Chairman (if any), or in his absence the Deputy Chairman (if any) shall preside at meetings of the Board, or if no such Chairman or Deputy Chairman is elected or appointed, or if at any meeting the Chairman or the Deputy Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting. All the provisions of Bye-Laws 112, 113 and 114 shall mutatis mutandis apply to any office in accordance with the provisions of this Bye-Law. (note 4)

Chairman, Deputy Chairman and officers

PROCEEDINGS OF THE DIRECTORS

120. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Bye-Law an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. A meeting of the Board or any committee of the Board may be held by means of such telephone, electronic or

Meeting of the Board, quorum, etc.

other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

- 121 A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Board which may be held in any part of the world provided that no such meeting shall be summoned to be held outside the territory in which the Head Office is for the time being situate without the prior approval of the Directors. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine. A Director absent or intended to be absent from the territory in which the Head Office is for the time being situate may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from such territory. A Director may waive notice of any meeting either prospectively or retrospectively.
- 122 Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.
- 123 A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Bye-Laws for the time being vested in or exercisable by the Board generally.

Convening of Board

How questions to be decided

Powers of meeting

- 124 The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board. Power to appoint committee and to delegate
- 125 All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company. Act of committee to be of same effect as acts of Board
- 126 The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Bye-Law 124. Proceedings of committee
- 127 All acts bona fide done by any meeting of the Board or by any such committee or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee. When acts of Board or committee to be valid notwithstanding defects
- 128 The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to these Bye-Laws as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose. Director powers when vacancies exists

129 A resolution in writing signed by all the Directors except such as are Directors
absent from the territory in which the Head Office is for the time being resolutions
situate or temporarily unable to act through ill-health or disability (or
their alternate Directors) shall (so long as such a resolution shall be
signed by at least two Directors or their alternates and provided that a
copy of such resolution has been given or the contents thereof
communicated to all the Directors (or their alternates) for the time being
entitled to receive notices of Board meetings) be as valid and effectual
as if it had been passed at a meeting of the Board duly convened and
held. Any such resolutions in writing may consist of several documents
in like form each signed by one or more of the Directors or alternate
Directors.

MINUTES

- 130 (A) The Board shall cause minutes to be made of- Minutes of
proceedings of
meetings and
Directors
- (i) all appointments of officers made by the Board;
 - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Bye-Law 124; and
 - (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting.
- (C) The Directors shall duly comply with the provisions of the Companies Act in regard to keeping a register of shareholders and to the production and furnishing of copies of or extracts from such register.

- (D) Any register, index, minute book, book of account or other book required by these presents or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner which shall include, without prejudice to the generality thereof, recording by means of magnetic tape, microfilm, computer or any other non-manual system of recording. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

SECRETARY

- 131 The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Statutes or these Bye-Laws required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially on behalf of the Board. If the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised.
- Appointment of Secretary
- 132 The duties of the Secretary shall be those prescribed by the Companies Act and these Bye-Laws, together with such other duties as may from time to time be prescribed by the Board.
- Duties of the Secretary
- 133 A provision of the Statutes or of these Bye-Laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.
- Same person not to act in two capacities at once

GENERAL MANAGEMENT AND USE OF THE SEAL

- 134 (A) The Board may authorise the production of one or more Seals. Custody of Seal
The Directors shall provide for the safe custody of each Seal, and no Seal shall be used without the authority of the Directors or a committee authorised by the Directors in that behalf. (note 4)

In the event that the Board does not authorise the production of a Seal, any document required to be under Seal or executed as a deed on behalf of the Company shall be signed or executed by any person authorised by the board for that purpose. (note 4)

- (B) Subject to these Bye-Laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary, or by 2 Directors, or by any person or persons (including a Director and/or the Secretary) authorised by the Board for that purpose, provided that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signature shall be dispensed with or affixed by some method or system of mechanical signature other than autographic as specified in such resolution or that such certificates need not be signed by any person. (note 4) Use of Seal

- (C) The Company may have a Securities Seal for use for sealing certificates for shares or other securities issued by the Company and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document and any such certificates or other document to which such Securities Seal is affixed shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid. Securities Seal

- 135 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 Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine. Cheques and banking arrangements
- 136 (A) The Board may from time to time and at any time, by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, 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 Board under these Bye-Laws) and for such period and subject to such conditions as it 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 Board may think fit, and may also authorize any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. (note 4) Power to appoint attorney
- (B) The Company may in writing empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company shall bind the Company. (note 4) Execution of deeds by attorney
- 137 The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Relevant Territory or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any regional or local board or any of them to fill any vacancies therein and to act notwithstanding any such vacancies, and any such appointment or delegation may be upon such terms and subject Regional or local boards

to such conditions as the Board may think fit, and the Board 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.

- 138 The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid and the spouses, widows, widowers, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.
- Power to establish pension funds

AUTHENTICATION OF DOCUMENTS

- 139 Any Director or the Secretary or other authorised officer of the Company shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, 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 of extracts; and where any books, records, documents or accounts are elsewhere than at the Registered Office or the Head Office, the local manager or such other officer of the Company having the custody thereof shall be deemed to be the authorised officer of the Company as aforesaid. A
- Power to authenticate

document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any local board or committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

CAPITALISATION OF RESERVES

- 140 (A) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves (including any contributed surplus account and also including any share premium account or other undistributable reserve, but subject to the provisions of the law with regard to unrealised profits) or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the shareholders who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such shareholders respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such shareholders in the proportion aforesaid, or partly in one way and partly in the other provided that for the purpose of this Bye-Law, any amount standing to the credit of any share premium account may only be applied in the paying up of unissued shares to be issued to shareholders of the Company as fully paid and provided further that any sum standing to the credit of the share premium account may only be applied in crediting as fully paid shares of the same class as that from which the relevant share premium was derived.
- Power to capitalise

- (B) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Bye-Law, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may disregard fractional entitlements or round the same up or down and may determine that cash payments shall be made to any shareholders in lieu of fractional entitlements or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties or that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the shareholders concerned. The Board may appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue a contract for allotment and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.
- Effect of resolution to capitalise

DIVIDENDS, CONTRIBUTED SURPLUS AND RESERVES

- 141 The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.
- Power to declare dividends

- 142 (A) The Board may subject to Bye-Law 143 from time to time pay to the shareholders such interim dividends as appear to the Board to be justified by the position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer to the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.
- (B) The Board may also pay half-yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.
- 143 (A) No dividend shall be declared or paid and no distribution of contributed surplus made otherwise than in accordance with the Statutes. No dividend shall be paid otherwise than out of profits available for distribution.
- (B) Subject to the provisions of the Companies Act (but without prejudice to paragraph (A) of this Bye-Law), where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company, and be available for dividend accordingly. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Board be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.
- Boards power to pay interim dividends
- Dividend not to be paid out of capital/
Distribution of contributed surplus

- (C) Subject to Bye-Law 143 (D) all dividends and other distributions in respect of shares in the Company shall be stated and discharged, in the case of shares denominated in Hong Kong dollars, in Hong Kong dollars, and in the case of shares denominated in United States dollars, in United States dollars, provided that, in the case of shares denominated in Hong Kong dollars, the Board may determine in the case of any distribution that shareholders may elect to receive the same in United States dollars or any other currency selected by the Board, conversion to be effected at such rate of exchange as the Board may determine.
- (D) If, in the opinion of the Board, any dividend or other distribution in respect of shares or any other payment to be made by the Company to any shareholder is of such a small amount as to make payment to that shareholder in the relevant currency impracticable or unduly expensive either for the Company or the shareholder then such dividend or other distribution or other payment may, at the discretion of the Board, be paid or made in the currency of the country of the relevant shareholder (as indicated by the address of such shareholder on the register).

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| 144 | . | Notice of the declaration of an interim dividend shall be given by advertisement in the Relevant Territory and in such other territory or territories as the Board may determine and in such manner as the Board shall determine. | Notice of interim dividend |
| 145 | . | No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company. | No interest on dividend |
| 146 | . | Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe for securities of the Company or any other company, or in any one or more of such ways, with or without offering any rights to shareholders to elect to receive such dividend in cash, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements or round the same up or down, and may fix the | Dividend in specie |

value for distribution of such specific assets, or any part thereof and may determine that cash payments shall be made to any shareholders upon the footing of the value so fixed in order to adjust the rights of all parties and may determine that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the shareholders concerned, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, the Board may appoint any person to sign a contract on behalf of the persons entitled to the dividend and such appointment shall be effective. The Board may resolve that no such assets shall be made available or paid to shareholders with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the shareholders aforesaid shall be to receive cash payments as aforesaid. Shareholders affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of shareholders for any purpose whatsoever.

- 147 (A) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:- Scrip dividends

either

- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:-
 - (a) the basis of any such allotment shall be determined by the Board;

- (b) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, contributed surplus account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis

or

- (ii) that shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply:-
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the shareholder of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
 - (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, contributed surplus account, share premium account and capital redemption

reserve fund (if there be any such reserve)) as the Board may determine a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

- (B) The shares allotted pursuant to the provisions of paragraph (A) of this Bye-Law shall rank pari passu in all respects with the shares then in issue save only as regards participation:-
- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
 - (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend.

Unless, contemporaneously with the announcement by the Board of its proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Bye-Law in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Bye-Law shall rank for participation in such distribution, bonus or rights.

- (C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Bye-Law with full power to the Board to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the shareholders concerned). The Board may

authorise any person to enter into on behalf of all shareholders interested an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

- (D) The Company may upon the recommendation of the Board by Special Resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Bye-Law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Bye-Law shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

148 The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.

Reserves

- 149 Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Bye-Law no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends to be paid in proportion to paid up capital
- 150 (A) The Board may retain any dividends or other moneys payable on or in respect of a share upon 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 dividend etc.
- (B) The Board may deduct from any dividend or bonus payable to any shareholder all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise. Deduction of debts
151. Any general meeting sanctioning a dividend may make a call on the shareholders of such amount as the meeting fixes, but so that the call on each shareholder shall not exceed the dividend payable to him, and so that the call shall be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the shareholder, be set off against the call. Dividend and call together
152. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer. Effect of transfer
153. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares. Receipt for dividends by joint holders of share
154. Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the shareholder entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Payment by post

155. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company. Unclaimed dividend
156. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable or made to the persons registered as the holder of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or other distribution shall be payable or made to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend or other distribution between the transferors and transferees of any such shares. The provisions of this Bye-Law shall mutatis mutandis apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the shareholders. Record dates

DISTRIBUTION OF REALISED CAPITAL PROFITS

157. The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same and not required for the payment or provision of any fixed preferential dividend instead of being applied in the purchase of any other capital assets or for other capital purposes be distributed amongst the ordinary shareholders on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided that no such profits as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the Company for the time being Distribution of realised capital profits

ANNUAL RETURNS

158. The Board shall make or cause to be made such annual or other returns or filings as may be required to be made in accordance with the Statutes. Annual Returns

ACCOUNTS

159. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place; and of the property, assets, credits and liabilities of the Company and of all other matters Accounts to be kept

required by the Statutes or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

160. The books of account shall be kept at the Head Office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors provided that such records as are required by the Statutes shall also be kept at the Registered Office. Where accounts to be kept
161. No shareholder (not being a Director) or other person shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting. Inspection by shareholders
162. (A) The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes. (note 5) Annual profit and loss account and balance sheet
- (B) Subject to paragraph (C) below, every balance sheet of the Company shall be signed on behalf of the Board by two of the Directors and a copy of every balance sheet (including every document required by law to be comprised therein or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the Auditors' report, shall not less than twenty-one (21) clear days and not less than twenty (20) clear business days before the date of the meeting be sent to every shareholder of, and every holder of debentures of, the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of the Companies Act or these Bye-Laws, provided that this Bye-Law shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures, but any shareholder or holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Head Office or the Registration Office. If all or any of the shares or debentures of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange, there shall be forwarded to the appropriate officer of such stock exchange such Annual report of Directors and balance sheet to be sent to shareholders

number of copies of such documents as may for the time being be required under its regulations or practice. (note 5)

- (C) The Company may send summarized financial statements to shareholders of the Company who have, in accordance with the Statutes and any applicable rules prescribed by the Designated Stock Exchange, consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by an auditor's report and notice informing the shareholder how to notify the Company that he elects to receive the full financial statements. The summarized financial statements, notice and auditor's report must be sent not less than twenty-one (21) clear days and not less than twenty (20) clear business days before the general meeting to those shareholders that consented and elected to receive the summarized financial statements. (note 5)
- (D) Subject to Section 88 of the Companies Act, the Company shall send the full financial statements to a shareholder within seven days of receipt of the shareholder's election to receive the full financial statements. (note 5)

AUDITORS

163. (A) Auditors shall be appointed and the terms and tenure of such appointment and their duties at all times regulated in accordance with the provisions of the Companies Act. Appointment of Auditors
- (B) Company shall at each annual general meeting appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting, but if an appointment is not made, the auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of the Company or of any of its subsidiaries or a partner, officer or employee of any such director, officer or employee shall not be capable of being appointed auditors of the Company. The Board may fill any casual vacancy in office of Auditors, but while any such vacancy continues the existing or continuing Auditors (if any) may act. Subject as otherwise provided by the Companies Act, the remuneration of the Auditors shall be fixed by or on the authority of the Company in the annual general meeting except that in any particular year the Company in its general meeting may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy

be fixed by the Directors.

164. The Auditors shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information as may be necessary for the performance of his or their duties, and the Auditors shall make a report to the shareholders on the accounts examined by them and on every balance sheet, consolidated balance sheet and consolidated profit and loss account intended to be laid before the Company in the annual general meeting during their tenure of office as required by the Statutes. Auditors to have right of access to books and accounts
165. A person other than the retiring Auditors shall not be capable of being appointed Auditors at an annual general meeting unless notice of an intention to nominate that person to the office of Auditors has been given to the Company not less than twenty-one (21) clear days and not less than twenty (20) clear business days before the annual general meeting, and the Company shall send a copy of any such notice to the retiring Auditors and shall give notice thereof to the shareholders not less than seven days before the annual general meeting provided that the above requirements may be waived by notice in writing by the retiring Auditors to the Secretary. (note 5) Appointment of auditors other than retiring auditors
166. Subject to the provisions of the Companies Act, all acts done by any person acting as Auditors shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in their appointment or that they were at the time of their appointment not qualified for appointment or subsequently became disqualified. Defect of appointment

NOTICES

- 167A. Any notice or document (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules), whether or not to be given or issued under the Statutes and/or any applicable laws, rules and regulations or these presents, by the Company, may be served or delivered by the Company upon any member of, and any holder of debentures of, the Company and to any other person who is entitled to receive notices of general meetings of the Company under the provisions of the Statutes and any applicable laws, regulations or rules or of these presents:- (note 3)
- (a) personally; (note 3)
- (b) by sending it through the post in a prepaid envelope or wrapper addressed to such person at his registered place of address; (note 3)
- (c) by advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper being in each case a newspaper published daily and circulating generally in Hong Kong and specified or permitted for this purpose by the Statutes and any applicable laws, rules and regulations, and for such period as the Directors shall think fit to the extent permitted by, and in accordance with the applicable laws, rules and regulations; (note 3)
- (d) By sending or transmitting it as an electronic communication to such person at any telex or facsimile transmission number or electronic number or electronic address or computer network or website supplied by him to the Company for the giving of notice or document from the Company to him to the extent permitted by, and in accordance with, the Statutes and any applicable laws, rules and regulations; (note 3)

Service of notices
(note 3)

- (e) by publishing it on the Company's computer network and giving to such person a notice in accordance with the Statutes and any applicable laws, rules and regulations stating that the notice or other document is available there (a "Notice of Availability") to the extent permitted by, and in accordance with, the Statutes and any applicable laws, rules and regulations. The Notice of Availability may be given to such person by any of the means set out in Bye-Laws 167A(a), 167A(b), 167A(c), 167A(d) or 167A(f); or (note 3)
- (f) by sending or otherwise making available to such person through such means to the extent permitted by, and in accordance with, the Statutes, and other applicable laws, rules and regulations. (note 3)

167B All notices or other documents with respect to shares standing in the names of joint holders shall be served on or delivered to whichever of such persons is named first in the register of members and any notice or document so served or delivered shall be deemed a sufficient service on or delivery to all the holders of such shares. (note 3)

Notice to joint holders (note 3)

168. Any shareholder whose registered address is outside the Relevant Territory may notify the Company in writing of an address in the Relevant Territory which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the shareholder is outside the Relevant Territory, notice, if given through the post, shall be sent by prepaid airmail letter.

Shareholders not of the Relevant Territory

169A. Subject to the Statutes, any other applicable laws, rules and regulations, any notice or other document (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules) given or issued by or on behalf of the Company:- (note 3)

Where notice by post deemed to be served (note 3)

- (a) if served or delivered by post, shall be deemed to have been served or delivered on the day following that on which the envelope or wrapper containing the same is posted, and, in proving such service or delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid (and in the case of an address outside the Relevant Territory where airmail service can be extended thereto

airmail postage prepaid). addressed and put into the post. A certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board, that the envelope or wrapper containing the notice or other document was so prepaid. addressed and put into the post shall be conclusive evidence thereof; (note 3)

- (b) if sent or transmitted as an electronic communication in accordance with Bye-Law 167A(d) or through such means in accordance with Bye-Law 167A(f), shall be deemed to have been served or delivered on the day following that on which the relevant despatch or transmission was sent by the Company. A notice or document published on the Company's computer network in accordance with Bye-Law 167A(e) shall be deemed to have been served or delivered on the day following that on which a Notice of Availability is sent to the entitled person. In proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; (note 3)
- (c) if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the notice or document was so served or delivered shall be conclusive evidence thereof: and (note 3)
- (d) if served by advertisement in newspapers in accordance with Bye-Law 167A(c), shall be deemed to have been served on the day on which such notice or document is first published. (note 3)

- 169B. Subject to the Statutes and any applicable laws, rules and regulations, where a person has consented to receive notices and other documents (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules) from the Company in the English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver to him any notice or document in such language only in accordance with these presents unless and until there is a notice of revocation or amendment of such consent given or deemed to have been given by such person to the Company in accordance with the Companies Act and the Statutes and any other applicable laws, rules and regulations which revocation or amendment shall have effect in respect of any notice or document to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment. (note 3)
- Choice of language (note 3)
170. A notice or document may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member in the manner set out in Bye-Laws 167A and 167B in which the same might have been given if the death, mental disorder or bankruptcy had not occurred. (note 3)
- Service of notice to persons entitled on death, mental disorder or bankruptcy of a member (note 3)
171. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.
- Transferee to be bound by prior notices
172. Any notice or document delivered or sent by post or left at the registered address of any shareholder or made available or sent by electronic means in compliance with these Bye-Laws, the Listing Rules, the Statutes and any applicable laws, rules or regulations, shall notwithstanding that such shareholder be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such shareholder until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares. (note 3)
- Notice valid though shareholder deceased, bankrupt

173. The signature to any notice to be given by the Company may be written or printed by means of facsimile or where relevant, by Electronic Signature in compliance with the Statutes and any applicable laws, rules and regulations. (note 3) How notice to be signed

INFORMATION

174. No shareholder (not being a Director) shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company which in the opinion of the Board it will be inexpedient in the interests of the shareholders of the Company to communicate to the public. Shareholders not entitled to information

WINDING UP

175. A resolution that the Company be wound up by the Court or be wound up voluntarily shall be a Special Resolution. Modes of winding up
176. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the shareholders in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed subject to the rights of any shares which may be issued on special terms and conditions, so that, as nearly as may be, the losses shall be borne by the shareholders in proportion to the capital paid up on the shares held by them respectively. Distribution of assets in winding up
177. If the Company shall be wound up (whether the liquidation is voluntary or ordered by the Court) the liquidator may, with the sanction of a Special Resolution, divide among the shareholders in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders and the shareholders within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such Assets may be distributed in specie

trusts for the benefit of shareholders as the liquidator, with the like sanction, shall think fit, but so that no shareholder shall be compelled to accept any shares or other assets upon which there is a liability.

INDEMNITY

178. Save and except so far as the provisions of this Bye-Law shall be avoided by any provisions of the Statutes, the Directors, Managing Directors, alternate Directors, Auditors, Secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default, fraud and dishonesty respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own wilful neglect or default, fraud and dishonesty respectively.
- Indemnity

UNTRACEABLE SHAREHOLDERS

179. Without prejudice to the rights of the Company under Bye-Law 155 and the provisions of Bye-Law 180, the Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- Company cease sending dividend warrants etc.

180. The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a shareholder who is untraceable, but no such sale shall be made unless:-

Company may sell share of untraceable shareholders

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-Laws of the Company have remained uncashed;
- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the shareholder who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law;
- (iii) the Company has caused an advertisement to be inserted in the Newspapers of its intention to sell such shares and a period of three months has elapsed since the date of such advertisement; and
- (iv) the Company has notified the stock exchange in the Relevant Territory of its intention to effect such sale.

For the purposes of the foregoing, “relevant period” means the period commencing twelve years before the date of publication of advertisement referred to in paragraph (iii) of this Bye-Law and ending at the expiry of the period referred to in that paragraph.

To give effect to any such sale of the Board may authorise any person to transfer the said shares and the instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such proceeds it shall become indebted to the former shareholder for an amount equal to such net proceeds. No trusts shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be

required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Bye-Law shall be valid and effective notwithstanding that the shareholder holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

DESTRUCTION OF DOCUMENTS

181. Subject to the Companies Act, the Company may be destroy :-

- (a) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation; Destruction of Document
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date on which such mandate, variation, cancellation, or notification was recorded by the Company;
- (c) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and

any other document, on the basis of which any entry in the register is made, at any time after the expiry of six years from the date on which an entry in the register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:-

- (i) the foregoing provisions of this Bye-Law shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (ii) nothing contained in this Bye-Law shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
- (iii) references in this Bye-Law to the destruction of any document include reference to its disposal in any manner.

RESIDENT REPRESENTATIVE

182. Pursuant to the provisions of the Statutes, the Board shall, for so long as the Company does not have a quorum of Directors ordinarily resident in Bermuda, appoint a Resident Representative as defined in the Statutes, to act on its behalf in Bermuda and to maintain all such records as may be required by the Statutes to be maintained in Bermuda and to make all necessary filings with the Ministry of Finance and Registrar of Companies in Bermuda as may be required by the Statutes and to fix his or their or its remuneration either by way of salary or fee for the period of the Resident Representative's service to the Company.
- Resident
Representative

MAINTENANCE OF RECORDS

183. The Company shall keep at the office of its Resident Representative, in accordance with the provisions of the Statutes, the following:-
- Maintenance of
records
- (i) minutes of all proceedings of general meetings of the Company;
 - (ii) all financial statements required to be prepared by the Company under the Companies Act together with the Auditors' report thereon;
 - (iii) all records of account required by Section 83 of the Companies Act to be kept in Bermuda; and

- (iv) all such documents as may be required in order to provide evidence of the continued listing of the Company on an appointed stock exchange within the meaning of the Companies Act.

SUBSCRIPTION RIGHT RESERVE

184. (A) Subject to the Statutes if, so long as any of the rights attaching to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions applicable under the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:-
- Subscription right
reserve
- (i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-Law) maintain in accordance with the provisions of this Bye-Law a reserve (the "Subscription Right Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to subparagraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;
- (ii) the Subscription Right Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than the share premium account and capital redemption reserve fund) have been used and will only be used to make good losses of the Company if and so far as is required-by law;

(iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:-

(aa) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and

(bb) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par;

and immediately upon such exercise so much of the sum standing to the credit of the Subscription Right Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holder; and

(iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, contributed surplus account, share premium account and capital redemption reserve fund) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate

(B) Shares allotted pursuant to the provisions of this Bye-Law shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (A) of this Bye-Law, no fraction of any share shall be allotted on exercise of the subscription rights.

- (C) The provisions of this Bye-Law as to the establishment and maintenance of the Subscription Right Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating, the provisions for the benefit of any warrant holder or class of warrant holders under this Bye-Law without the sanction of a Special Resolution of such warrant holders or class of warrant holders.

- (D) A certificate or report by the Auditors for the time being of the Company as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

RECORD DATES

- 185. Notwithstanding any other provision of these Bye-Laws the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

STOCK

- 186. The following provisions shall have effect at any time and from time to time that they are not prohibited or inconsistent with the Statutes:
 - (1) The Company may by Ordinary Resolution convert any paid up shares into stock, and may from time to time by like resolution reconvert any stock into paid up shares of any denomination.

- (2) The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.
- (3) The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.
- (4) Such of the provisions of these Bye-Laws as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

Notes:

- (1) Resolution passed on annual general meeting on 24 August 2004
- (2) Resolution passed on annual general meeting on 15 September 2005
- (3) Resolution passed on annual general meeting on 3 October 2006
- (4) Resolution passed on annual general meeting on 27 September 2007
- (5) Resolution passed on annual general meeting on 22 September 2009