

THE COMPANIES REGULATIONS 2000

ARRANGEMENT OF SECTIONS

1. Citation and commencement.
2. Definitions.
3. Articles of association.
4. Fees.
5. Forms.

First Schedule.

1. Memorandum of Association
2. Articles of Association

Second Schedule.

Certificate of Incorporation

THE COMPANIES REGULATIONS 2000

Regulations made by the Board of Governors under section 110 of The Companies Ordinance 2000.

ENACTED by the Legislature of New Utopia.

1. Citation and commencement

These regulations may be cited as:

The Companies Regulations 2000.

and shall come into operation on the same day as The Companies Ordinance 2000 shall come into operation.

2. Definitions

In these Regulations:-

- (a) "anniversary date" means the date one calendar year forward from the date of registration and the same date in every subsequent calendar year;
- (b) "dollars" means the United States dollar unless otherwise specified;
- (c) "Ordinance" means The Companies Ordinance 2000;

3. Articles of Incorporation

The Articles of Incorporation specified in the First Schedule to these regulations may *mutatis mutandis* be used as the general Articles of Incorporation of a company and shall be divided into two parts;

- (a) the Memorandum of Association, and;
- (b) the Articles of Association.

4. Fees

(1) The fees payable to the Registrar of Companies in respect of applications, initial registrations, annual fees and for variations to existing registration information for companies incorporated under The Companies Ordinance 2000 shall be as from time to

time detailed in The Companies, Banks and Trust Companies Fees Schedule 2000 and amendments thereof.

(2) Subject to this regulation the fees for registration or variation to existing registration shall fall within the following categories;

- (a) For registration of a company where all the shares are par value and
 - (i) the authorised capital is \$50,000 or less
 - (ii) the authorised capital exceeds \$50,000 but is less than \$1,000,001
 - (iii) the authorised capital exceeds \$1,000,001
- (b) In the case of a notice of increase of authorised capital:
 - (i) from \$50,000 or less to between \$50,000 and \$1,000,000 or
 - (ii) from between \$50,000 and \$1,000,000 to over \$1,000,000 or
 - (iii) from \$50,000 or less to over \$1,000,000
- (c) For registration of an amendment to the articles
- (d) Subject to paragraph (e), for registration of articles of merger or consolidation
- (e) In the case of articles of merger or consolidation that also constitute the articles of a company the authorised capital of which increases according to paragraph (b) (i), (ii) or (iii)
- (f) (i) For registration of articles of arrangement
 - (ii) In the case of articles of arrangement that also constitute the articles of a company the authorised capital of which increases according to paragraph (b) (i), (ii) or (iii)
- (g) Upon the submission of articles of continuation:
 - (i) for a company under the Companies Ordinance
 - (ii) for a company not incorporated under the Companies Ordinance,
- (h) For registration of articles of dissolution

- (i) For registration of a resolution rescinding articles of dissolution
- (j) For the issue of a certificate of incorporation, merger, consolidation, arrangement, continuation, dissolution other than issued at the time of registration of a company incorporated under the Ordinance, or of the merger, consolidation arrangement or dissolution, as the case may be
- (k) For a certificate of good standing
- (l) For a manual search of the Registry
- (m) For an uncertified copy of any document or part thereof, in addition to the fee for search under sub-paragraph (l), per page
- (n) For certified copy of any document
- (o) For a certified copy of any document authenticated under the public seal (Apostille) of The Principality of New Utopia
- (p) For restoration to the register of a company incorporated under the Ordinance, the name of which was struck off:
 - (i) If the application is made within six months immediately following the striking of the name off the register
 - (ii) If application is made later than six months immediately following the striking of the name off the register
- (q) For the manual reservation of a name
- (r)
 - (i) Upon submission to the Registrar of documents referred to in subsection (1) of section 79
 - (ii) Upon resubmission of the documents referred to in subsection (7) of section 79
- (s) For filing notice of registered office or registered agent
- (t) For filing any other notice

(3) Subject to this regulation the Annual fees (payable on or before every anniversary date of incorporation or continuation) for registration shall fall within the following categories;

(a), where:

(i) the authorised capital is \$50,000 or less

(ii) the authorised capital exceeds \$50,000 but is less than \$1,000,000

(iii) the authorised capital exceeds \$1,000,001

5. Penalties

(1) A company which fails to pay the annual fee under subsection (3)(a) (i), (ii) or (iii) of section 3 shall be subject to the following penalties

(a) A company which fails to pay the annual fee on or within one month the anniversary date shall, in addition to the annual fee, pay a penalty of an amount equal to 10% of the annual fee.

(b) A company which fails to pay the annual fee and the penalty due under subparagraph (a) shall, upon the expiration of three months from the anniversary date, be liable to pay in addition to the annual fee, a penalty of an amount equal to 50% of the annual fee.

(c) Where a company fails to pay the fee shown in paragraph (1) (b), it shall, upon the expiration of six months from the anniversary date, be considered as struck off.

6. Forms

For the purposes of the Ordinance, the forms set out in the Second Schedule to these regulations shall be used for the matters to which they relate.

FIRST SCHEDULE

MODEL GENERAL ARTICLES OF INCORPORATION OF A COMPANY LIMITED BY SHARES INCORPORATED UNDER THE COMPANIES ORDINANCE 2000

1. MEMORANDUM OF ASSOCIATION

Of: [Company Name]
Registered number: [Registered Number]
Date first incorporated: [Incorporation Date]

1. The name of the company is: [Company Name]
2. The class of company is: [International Business Company / Resident Company]
3. The Registered Office of the company shall be:

[Registered Office Address]

The Principality of New Utopia.

Or as the directors may from time to time determine.

4. Unless a resident company the Registered Agent of the company will be:

[Registered Agent Name and Address]

The Principality of New Utopia.

Or such other person or company, being a person or company authorised under the laws of New Utopia to be a Registered Agent, as the directors may from time to time decide.

5. The objects for which the company is established are as follows:

(a) All general commercial purposes;

(i) To carry on the business of an investment company and to invest the available funds of the company or borrowed funds in things of whatsoever nature, whether income earning or otherwise, and whether within New Utopia, or outside thereof,

including but not limited to, the purchase, redemption, exchange or sale of certificates of deposit, savings accounts, precious stones and metals, currencies, leasehold and freehold properties developed or otherwise, puts and calls, options, commodities, futures, receivables, contractual rights and such other things as the company may from time to time determine.

(ii) To act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, retailers, wholesalers, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.

(iii) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including services.

(iv) To do or carry on any other legal business which the company may from time to time determine.

(b) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the company is interested upon such terms as may be thought fit.

(c) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licenses, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choices in action of all kinds.

(d) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or co-operation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, syndicate or partnership of any kind, for the purpose acquiring and undertaking any property and liabilities of the company or of advancing, directly or indirectly, the objects of the company or for any other purpose which the company may think expedient.

(e) To stand surety for or to guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether or not related or affiliated to the company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the company, both

present and future, including its uncalled capital or by any such method and whether or not the company shall receive valuable consideration therefor.

(f) To engage in or carry on any other lawful trade, business, or enterprise which may at any time appear to the directors of the company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the directors or the company likely to be profitable to the company.

In the interpretation of this Memorandum of Association in general and of this section in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the company.

6. Except as prohibited or limited by the Companies Ordinance, the company shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the company considered necessary or convenient in the manner set out in the Articles of Association of the company, and the power to do any of the following acts or things, viz.: to pay all expenses of and incidental to the promotion, formation and incorporation of the company; to register the company and to do business in any other jurisdiction; to sell, lease or dispose of any property of the company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the company including uncalled capital or without security; to invest monies of the company in such manner as the directors determine; to promote other companies; to sell the undertaking of the company for cash or any other consideration; to distribute assets in specie to members of the company; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to directors, officers, employees, past or present and their families; to carry on any trade or business and generally to do all acts and things which, in the opinion of the company or the directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the company in connection with the business aforesaid PROVIDED THAT the company shall only carry on the businesses for which a license is required under the laws of New Utopia when so licensed under the terms of such laws.
6. Unless a resident company, the company has no power to:
 - (a) Carry on business with persons, natural or legal, resident in New Utopia;

(b) Own an interest in real property situate in New Utopia other than a lease of property for use as an office from which to communicate with Members or where books and records of the company are prepared or maintained but not from where any business other than the above is conducted;

(c) Carry on banking, trust, insurance or re-insurance business unless licensed under the appropriate Act;

(d) Carry on the business of providing the Registered Office or the Registered Agent or providing Company Management Services for Companies incorporated in the Principality of New Utopia unless a resident company which has received the written consent of the Board of Governors to do so;

7. The liability of each member is limited to the amount from time to time unpaid on such member's shares.
8. The shares of the company shall be issued in United States dollars.
9. The share capital of the company is [Issued Share Capital in Dollars]
divided into [Number of Issued Shares] shares
of a nominal or par value of [Value of Each Share in Dollars] each

with power for the company insofar as is permitted by law, to redeem any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Ordinance and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without: preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.

10. If the company is registered as resident its operations will be carried on subject to the additional provisions contained within Part XI of The Companies Ordinance 2000.
11. Unless a resident company, some or all of its shares may be issued to bearer provided that such issue be fully paid and non assessable.

(a) Shares issued as bearer shares may be exchanged for registered shares, and registered shares may be exchanged for bearer shares.

(b) Where shares are issued to bearer, the bearer, identified for this purpose by the number of the share certificate, shall be requested by the company to provide the name and address of an attorney, agent or other authorised person or body corporate for service of any notice, information or written statement required to be given to members, and service upon such attorney, agent or other authorised person shall be deemed to be service upon the bearer of such shares. In the absence of such name and address being given, it shall be considered sufficient for purpose of service for the company to publish the any notice, information or

written statement in one or more newspapers published or circulated in New Utopia and in such place as the company shall have its principal office.

WE the several persons whose names and addresses are subscribed are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

DATED this [day] of [Month] [Year]

Names of Subscribers	Addresses and Descriptions	No of Shares Taken by Each Subscriber
[Name(s)]	[Address(es) and Description(s)]	[No of Shares]

Signed for and on behalf of [Registered Agent Name]

Registered Agent
[Registered Agent Address]
The Principality of New Utopia

Witness to the above signatures

[Name of Witness]
[Address of Witness]

2. ARTICLES OF ASSOCIATION

Of: [Company Name]
Registered number: [Registered Number]
Date first incorporated: [Incorporation Date]

1. Definition of terms used in these Articles:-

- (1) "Articles" means these Articles as originally framed or as from time to time altered by Special Resolution.
- (2) "The Auditors" means the persons for the time being performing the duties of auditors of the company.
- (3) "The company" means the above named company.
- (4) "Debenture" means debenture stock, mortgages, bonds and any other such securities; of the company whether constituting a charge on the assets of the company or not.
- (5) "The directors" means the directors for the time being of the company.
- (6) "Dividend" includes bonus.
- (7) "Member" shall bear the meaning ascribed to it in the Ordinance. In the case of a company having issued shares in bearer form "member" shall also mean, in the case of bearer shares, the current holder of the bearer certificate.
- (8) "Month" means calendar month.
- (9) "The Registered Office" means the registered office for the time being of the company.
- (10) "Paid-up" means paid-up and/or credited as paid-up.
- (11) "Seal" means the common seal of the company and includes every official seal.
- (12) "Secretary" includes the Assistant Secretary and any person appointed to perform the duties of Secretary of the company.
- (13) "Special Resolution" has the same meaning as in the Ordinance.

(14) "Ordinance" means the Companies Ordinance 2000 of The Principality of New Utopia as amended and every statutory modification or re-enactment thereof for the time being in force.

(15) "Written" and "In Writing" include all modes of representing or reproducing words in visible form whether manual, mechanical or electronic.

Words in the singular number may include the plural number and vice-versa..

Words in the masculine gender may include the feminine gender.

2. The business of the company may be commenced as soon after incorporation as the directors shall see fit, notwithstanding that part only of the shares may have been allotted.
3. The directors may pay, out of the capital or any other monies of the company, all expenses incurred in or about the formation and establishment of the company including the expenses of registration.

CERTIFICATE FOR SHARES

4. Certificates representing shares of the company shall be in such form as shall be determined by the directors. Such certificates shall be under seal. All certificates for shares shall be consecutively numbered or otherwise identified and shall specify the shares to which they relate. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered in the register of members of the company. In the case of a company issuing bearer shares the register shall state that such shares have been issued to bearer. All certificates surrendered to the company for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled. The directors may authorise signature(s) affixed by some method or system of mechanical process.
5. Notwithstanding Article 4 of these Articles, if a shared certificate be defaced, lost or destroyed, it may be renewed on payment of a reasonable fee and on such terms (if any) as to evidence and indemnity and the payment of the expenses incurred by the company in investigating evidence, as the directors may prescribe.

ISSUE OF SHARES

6. Subject to the provisions, if any, in that behalf in the Memorandum of Association and to any direction that may be given by the company in general meeting and without prejudice to any special rights previously conferred on the holders of existing shares, the directors may allot, issue, grant options over or otherwise dispose of shares of the company with or without preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, at such times and on such other terms as they think proper.

7. The company shall maintain a register of its members and every person whose name is entered as a member in the register of members and, in the case of bearer shares to be issued by a company, every person who has requested shares to be issued in bearer form and has paid for such shares in full shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificates each for one or more of his shares upon such reasonable payment for every certificate after the first as the directors shall from time to time determine provided that in respect of a share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of the several joint holders shall be sufficient delivery to all such holders.

TRANSFER OF SHARES

8. The instrument of transfer of any share to be registered by the company shall be in writing and shall be executed by or on behalf of the Transferor. The Transferor shall be deemed to remain the holder of a share until the name of the Transferee is entered in the register in respect thereof. In the case of bearer shares issued by a company such shares may be transferred in accordance with article 129.
9. The directors may in their absolute discretion decline to register any transfer of shares without assigning any reason therefore. If the directors refuse to register a transfer they shall notify the Transferee within two months of such refusal.
10. The registration of transfers may be suspended at such time and for such periods as the directors may from time to time determine, provided always that such registration shall not be suspended for more than forty-five days in any year.

REDEEMABLE SHARES

11. Subject to the provisions of the Ordinance and the Memorandum of Association, shares may be issued on the terms that they may, or at the option of the company may, be redeemed on such terms and in such manner as the company, before the issue of the shares, may by special resolution determine.

VARIATION OF RIGHTS OF SHARES

12. If at any time the share capital of the company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

The provisions of these Articles relating to general meetings shall apply to every such general meeting of the holders of one class of shares except that the necessary quorum shall be one (1) person holding or representing by proxy at least one-third of the issued

shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.

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

COMMISSION ON SALE OF SHARES

14. The company may in so far as the Ordinance from time to time permits pay a commission to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any shares of the company. Such commissions may be satisfied by the payment of cash or the lodgement of fully or partly paid-up shares or partly in one way and partly in the other. The company may also on any issue of shares pay such brokerage as may be lawful.

NON-RECOGNITION OF TRUSTS

15. No person shall be recognised by the company as holding any share upon any trust and 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 (except only as is otherwise provided by these Articles or the Ordinance) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder or, in the case of bearer shares, in the bearer.

LIEN ON SHARES

16. The company shall have a first and paramount lien and charge on all shares (whether fully paid-up or not) registered in the name of a member (whether solely or jointly with others) for all debts, liabilities or engagements to or with the company (whether presently payable or not) by such member or his estate, either alone or jointly with any other person, whether a member or not, but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The registration of a transfer of any such share shall operate as a waiver of the company's lien (if any) thereon. The company's lien (if any) on a share shall extend to all dividends or other monies payable in respect thereof.
17. The company may sell, in such manner as the directors think fit, any shares on which the company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, not until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder or holders for the time being of the share, or the person, of which the company has notice, entitled thereto by reason of his death or bankruptcy.
18. To give effect to any such sale the directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the

shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

19. The proceeds of such sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALL ON SHARES

20. (a) The directors may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed terms, provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least fourteen days notice specifying the time or times of payment) pay to the company at the time or times so specified the amount called on the shares. A call may be revoked or postponed as the directors may determine. A call may be made payable by instalments.

(b) A call shall be deemed to have been made at the time when the resolution of the directors authorising such call was passed.

(c) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. If a sum called in respect of a share is not paid before or on a day appointed for payment thereof, the persons from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum as the directors may determine, but the directors shall be at liberty to waive payment of such interest either wholly or in part.
22. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium or otherwise, shall for the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which by the terms of issue the same becomes payable, and in the case of non-payment all the relevant provisions of these Articles as to payment of interest forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
23. The directors may, on the issue of shares, differentiate between the holders as to the amount of calls or interest to be paid and the times of payment.
24. (a) The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him, and upon all or any of the monies so advanced may (until the same would but for such

advances, become payable) pay interest at such rate not exceeding (unless the company in general meeting shall otherwise direct) the current bank base lending rate, as may be agreed upon between the directors and the member paying such sum in advance.

(b) No such sum paid in advance of calls shall entitle the member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

FORFEITURE OF SHARES

25. (a) If a member fails to pay any call or instalment of a call or to make any payment required by the terms of issue on the day appointed for payment thereof, the directors may, at any time thereafter during such time as any part of the call, instalment or payment remains unpaid, give notice requiring payment of so much of the call, instalment or payment as is unpaid, together with any interest which may have accrued and all expenses that have been incurred by the company by reason of such non-payment. Such notice shall name a day (not earlier than the expiration of fourteen days from the date of giving of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time appointed the shares in respect of which such notice was given will be liable to be forfeited.

(b) 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 directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture.

(c) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.

26. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the company all monies which, at the date of forfeiture were payable by him to the company in respect of the shares together with interest thereon, but his liability shall cease if and when the company shall have received payment in full of all monies whenever payable in respect of the shares.

27. A certificate in writing under the hand of one director and the Secretary of the company that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the fact therein stated as against all persons claiming to be entitled to the share. The company may receive the consideration 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.

28. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the 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.

REGISTRATION OF EMPOWERING INSTRUMENTS

29. The company shall be entitled to charge a reasonable fee on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument.

TRANSMISSION OF SHARES

30. In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal representatives of the deceased where he was a sole 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 any such deceased holder from any liability in respect of any shares which had been held by him solely or jointly with other persons.
31. (a) Any person becoming entitled to a share in consequence of the death or bankruptcy of a member (or in any other way than by transfer) may, upon such evidence being produced as may from time to time be required by the directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to make such transfer of the share to such other person nominated by him as the deceased or bankrupt person could have made and to have such person registered as the transferee thereof, but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy as the case may be.
- (b) If the person so becoming entitled shall elect to be registered himself as holder he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
32. A person becoming entitled to a share by reason of the death or bankruptcy of the holder (or in any other case than by transfer) shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company PROVIDED HOWEVER that the directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

AMENDMENT OF MEMORANDUM OF ASSOCIATION, CHANGE OF LOCATION OF REGISTERED OFFICE, REGISTERED AGENT & ALTERATION OF CAPITAL

32. (a) Subject to and in so far as permitted by the provisions of the Ordinance, the company may from time to time by ordinary resolution alter or amend its Memorandum of Association otherwise than with respect to its name and objects and may, without restriction to the generality of the foregoing:
- (i) increase the share capital by such sum to be divided into shares of such amount or without nominal or par value as the resolution shall prescribe and with such rights, priorities and privileges annexed thereto, as the company in general meeting may determine;
 - (ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (iii) by subdivision of its existing shares or any of them divide the whole or any part of its share capital into shares of smaller amount than is fixed by the Memorandum of Association or into shares without nominal or par value;
 - (iv) 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.

All new shares created hereunder shall be subject to the same provisions with reference to the payment of calls, liens, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

- (b) Subject to the provisions of the Ordinance the company may by special resolution change its name or alter its objects.
- (c) Subject to the provisions of the Ordinance the company may by special resolution reduce its share capital, any capital redemption reserve fund, or any share premium account.
- (d) Subject to the provisions of the Ordinance the company may by resolution of the directors change the location of its registered office always providing that the Registered Office shall remain within The Principality of New Utopia.
- (e) Subject to the provisions of the Ordinance the company may by resolution of the directors change its Registered Agent.

CLOSING REGISTER OF MEMBERS OR FIXING RECORD DATE

34. For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or members entitled to receive payment of any dividend, or in order to make a determination of members for any other proper purpose, the

directors of the company may provide that the register of members shall be closed for transfers for a stated period but not to exceed in any case forty (40) days. If the register of members shall be so closed for the purpose of determining members entitled to notice of or to vote at a meeting of members such register shall be so closed for at least ten (10) days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the register of members.

35. In lieu of or apart from closing the register of members, the directors may fix in advance a date as the record date for any such determination of members entitled to notice of or to vote at a meeting of the members and for the purpose of determining the members entitled to receive payment of any dividend the directors may, at or within 90 days prior to the date of declaration of such dividend fix a subsequent date as the record date for such determination.
36. If the register of members is not so closed and no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members or members entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of members. When a determination of members entitled to vote at any meeting of members has been made as provided in this section, such determination shall apply to any adjournment thereof.

GENERAL MEETING

37. (a) Subject to paragraph (c) hereof, the company shall within one year of its incorporation and in each year of its existence thereafter hold a general meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it. The Annual General Meeting shall be held at such time and place as the directors shall appoint.
 - (b) At these meetings the report of the directors (if any) shall be presented.
 - (c) Unless a resident company it may but shall not be obliged to hold an Annual General Meeting.
38. (a) The directors may whenever they think fit, and they shall on the requisition of members of the company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the company as at the date of the deposit carries the right of voting at general meetings of the company, proceed to convene a general meeting of the company.
 - (b) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office of the company and may consist of several documents in like form each signed by one or more requisitionists.
 - (c) If the directors do not within twenty-one days from the date of the deposit of the requisition duly proceed to convene a general meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves

convene a general meeting, but any meeting so convened shall not be held after the expiration of three months after the expiration of the said twenty-one days.

(d) A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by directors.

NOTICE OF GENERAL MEETINGS

39. At least seven days notice shall be given of an Annual General Meeting or any other general meeting. Every notice shall be exclusive of the day for which it is given and shall specify the place, the day and the hour of the meeting and the general nature of the business and shall be given in manner hereinafter mentioned or in such other manner if any as may be prescribed by the company PROVIDED that a general meeting of the company shall, whether or not the notice specified in this regulation has been given, be deemed to have been duly called if it is so agreed:

(a) in the case of a general meeting called as an Annual General Meeting by all the members entitled to attend and vote thereat or their proxies; and

(b) in the case of any other general meeting by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than seventy-five per cent (75%) in nominal value or in the case of shares without nominal or par value seventy five per cent (75%) of the shares in issue, or their proxies.

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

PROCEEDINGS AT GENERAL MEETINGS

41. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two (2) members present in person or by proxy shall be quorum provided always that if the company has one shareholder of record the quorum shall be that one (1) member present in person or by proxy.

42. Subject and without prejudice to any provisions of the Ordinance, a resolution in writing (in one or more counterparts) signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a general meeting of the company duly convened and held.

43. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other time or such other place as the directors may determine and if at the

adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

44. The Chairman, if any, of the Board of directors shall preside as Chairman at every general meeting of the company, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting, or is unwilling to act, the directors present shall elect one of their number to be Chairman of the meeting.
45. If at any general meeting no director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the meeting.
46. The Chairman may, with the consent of any general meeting duly constituted hereunder, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting; save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned general meeting.
47. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is, before or on the declaration of the result of the show of hands, demanded by the Chairman or any other member present in person or by proxy.
48. Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried, and an entry to that effect in the company's Minute Book containing the Minutes of the proceedings of the meeting shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favor of or against such resolution.
49. The demand for a poll may be withdrawn.
50. Except as provided in Article 52, if a poll is duly demanded it shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded.
51. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the general meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
52. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the general meeting directs and any business other than that upon which a poll has been demanded or is contingent thereon may be proceeded with pending the taking of the poll.

VOTES OF MEMBERS

53. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member of record present in person or by proxy at a general meeting shall have one vote and on a poll every member of record present in person or by proxy shall have one vote for each share held.
54. In the case of joint holders of record the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
55. A member of unsound mind, or in respect of whom an order has been made by any court, having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, 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 persons may vote by proxy.
56. No member shall be entitled to vote at any general meeting unless he is registered as a shareholder of the company on the record date for such meeting or, in the case of a holder of bearer shares, has produced the relevant certificate proving his ownership of the shares, nor unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
57. No objection shall be raised to the qualification of any voter except at the general meeting or adjourned general meeting at which the vote objected to is given or tendered and every vote not disallowed at such general meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the general meeting whose decision shall be final and conclusive.
58. On a poll or on a show of hands votes may be given either personally or by proxy.

PROXIES

59. The instrument appointing a proxy shall be in writing and shall be executed under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation under the hand of an officer or attorney duly authorised in that behalf. A proxy need not be a member of the company.
60. The instrument appointing a proxy shall be deposited at the Registered Office of the company or at such other place as is specified for that purpose in the notice convening the meeting no later than the time for holding the meeting, or adjourned meeting provided that the Chairman of the Meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex, cable, facsimile or other electronic means confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the company.

61. The instrument appointing a proxy may be in any usual or common form and may be expressed to be for a particular meeting or any adjournment thereof or generally until revoked. An instrument appointing a proxy shall be deemed to include the power to demand to join or concur in demanding a poll.
62. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the company at its registered office before the commencement of the general meeting, or adjourned meeting at which it is sought to use the proxy.
63. Any corporation which is a member of record of the company may in accordance with its Articles or in the absence of such provision by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the company or of any class of members 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 the corporation could exercise if it were an individual member of record of the company.
64. Shares of its own stock belonging to the company or held by it in a fiduciary capacity shall not be voted, directly or indirectly, at any meeting and shall not be counted in determining the total number of outstanding shares at any given time.

DIRECTORS

65. There shall be a Board of directors consisting of not less than one or more than ten persons, such persons being either legal persons or bodies corporate, (exclusive of Alternate directors) PROVIDED HOWEVER that the company may from time to time by ordinary resolution increase or reduce the limits in the number of directors. The first directors of the company shall be determined in writing by the subscribers of the Memorandum of Association or a majority of them.
66. The remuneration to be paid to the directors shall be such remuneration as the directors shall determine. Such remuneration shall be deemed to accrue from day to day. The directors shall also be entitled to be paid their travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the directors, or any committee of the directors, or general meetings of the company, or otherwise in connection with the business of the company, or to receive a fixed allowance in respect thereof as may be determined by the directors from time to time, or combination partly of one such method and partly the other.
67. The directors may by resolution award special remuneration to any director of the company undertaking any special work or services for, or undertaking any special mission on behalf of, the company other than his ordinary routine work as a director. Any fees paid to a director who is also counsel or solicitor to the company, or otherwise serves it in a professional capacity shall be in addition to his remuneration as a director.

68. A director or Alternate director may hold any other office or place of profit under the company in conjunction with his office of director for such period and on such terms as to remuneration and otherwise as the directors may determine.
69. A director or Alternate director may act by himself or his firm in a professional capacity for the company and he or his firm shall be entitled to remuneration for professional services as if he were not a director or Alternate director.
70. A shareholding qualification for directors may be fixed by the company in general meeting, but unless and until so fixed no qualification shall be required.
71. A director or Alternate director of the company may be or become a director or other Officer of or otherwise interested in any company promoted by the company or in which the company may be interested as shareholder or otherwise and no such director or Alternate director shall be accountable to the company for any remuneration or other benefits received by him as a director or Officer of, or from his interest in, such other company.
72. No person shall be disqualified from the office of director or Alternate director or prevented by such office from contracting with the company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the company in which any director or Alternate director shall be in any way interested be or be liable to avoided nor shall any director or Alternate director so contracting or being so interested be liable to account to the company for any profit realised by any such contract or transaction by reason of such director holding office or of the fiduciary relation thereby established. A director (or his Alternate director in his absence) shall be at liberty to vote in respect of any contract or transaction in which he is so interested as aforesaid PROVIDED HOWEVER that the nature of the interest of any director or Alternate director in any such contract or transaction shall be disclosed by him or the Alternate director appointed by him at or prior to its consideration and any vote thereon.
73. A general notice that a director or Alternate director is a shareholder of any specified firm or company and is to be regarded as interested in any transaction with such firm or company shall be sufficient disclosure under Article 72 and after such general notice it shall not be necessary to give special notice relating to any particular transaction.

ALTERNATE DIRECTORS

74. Subject to the exception contained in Article 82, a director who expects to be unable to attend directors' meetings because of absence, illness or otherwise may appoint any person to be an Alternate director to act in his stead and such appointee whilst he holds office as an Alternate director shall, in the event of absence therefrom of his appointor, be entitled to attend meetings of the directors and to vote thereat and to do, in the place and stead of his appointor, any other act or thing which his appointor is permitted or required to do by virtue of his being a director as if the Alternate director were the appointor, other than appointment of an Alternate to himself, and he shall ipso facto vacate office if and when his

appointor ceases to be a director or removes the appointee from office. Any appointment or removal under this Article shall be effected by notice in writing under the hand of the director making the same.

POWERS AND DUTIES OF DIRECTORS

75. The business of the company shall be managed by the directors (or a sole director if only one is appointed) who may pay all expenses incurred in promoting, registering and setting up the company, and may exercise all such powers of the company as are not, from time to time by the Ordinance, or by these Articles, or such regulations being not inconsistent with the aforesaid, as may be prescribed by the company in general meeting required to be exercised by the company in general meeting PROVIDED HOWEVER that no regulations made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.
76. The directors may from time to time and at any time by powers of attorney appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
77. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the directors shall from time to time by resolution determine.
78. The directors shall cause Minutes to be made in books provided for the purpose:
 - (a) of all appointments of Officers made by the directors;
 - (b) of the names of the directors (including those represented thereat by an Alternate or by proxy) present at each meeting of the directors and of any committee of the directors;
 - (c) of all resolutions and proceedings at all meetings of the company and of the directors and of Committees of directors.
79. The directors on behalf of the company may pay a gratuity or pension or allowance on retirement to any director who has held any other salaried office or place of profit with the company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.
80. The directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to

issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.

MANAGEMENT

81. (a) The directors may from time to time provide for the management of the affairs of the company in such manner as they shall think fit and the provisions contained in the two next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.

(b) The directors from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the company and may appoint any persons to be members of such committees or local boards or any managers or agents and may fix their remuneration.

(c) The directors from time to time and at any time may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the directors and may authorise the member for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the directors may think fit and the directors may at any time 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.

MANAGING DIRECTORS

82. The directors may, from time to time, appoint one or more of their body to the office of Managing director for such term and at such remuneration (whether by way of salary, or commission, or participation in profits as they may think fit but his appointment shall be subject to determination ipso facto if he ceases from any cause to be a director and no Alternate director appointed by him can act in his stead as a director or Managing director.

83. The directors may entrust to and confer upon a Managing director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and ether collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

PROCEEDINGS OF DIRECTORS

84. Except as otherwise provided by these Articles, the directors shall meet together for the dispatch of business, convening, adjourning and otherwise regulating their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes of the directors and Alternate directors present at a meeting at which there is a quorum, the vote of an Alternate director not being counted if his appointor be present at such meeting. In case of an equality of votes, the Chairman shall have a second or casting vote.

85. A director or Alternate director may, and the Secretary on the requisition of a director or Alternate director shall, at any time summon a meeting of the directors by at least five days' notice in writing to every director and Alternate director which notice shall set forth the general nature of the business to be considered unless notice is waived by all the directors (or their Alternates) either at, before or after the meeting is held and PROVIDED FURTHER if notice is given in person, by cable, telex, facsimile or other electronic means the same shall be deemed to have been given on the day it is delivered to the directors or transmitting organisation as the case may be. The provisions of Article 40 shall apply mutatis mutandis with respect to notices of meetings of directors.
86. The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed shall be two, a director and his appointed Alternate director being considered only one person for this purpose, PROVIDED ALWAYS that if there shall at any time be only a sole director the quorum shall be one. For the purposes of this Article an Alternate director or proxy appointed by a director shall be counted in a quorum at a meeting at which the director appointing him is not present.
87. The continuing directors may act notwithstanding any vacancy in their body, but if and so long as their number is below the number fixed by or pursuant to these Articles as the necessary quorum of directors the continuing directors or director 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.
88. The directors may elect a Chairman of their Board and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be Chairman of the meeting.
89. The directors may delegate any of their powers to committees consisting of such member or members of the Board of directors (including Alternate directors in the absence of their appointors) as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors.
90. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the Chairman shall have a second or casting vote.
91. All acts done by any meeting of the directors or of a committee of directors (including any person acting as an Alternate director) shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any director or Alternate director, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and qualified to be a director or Alternate director as the case may be.
92. Members of the Board of directors or of any committee thereof may participate in a meeting of the Board or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute

presence in person at such meeting. A resolution in writing (in one or more counterparts), signed by all the directors for the time being or all the members of a committee of directors (an Alternate director being entitled to sign such resolution on behalf of his appointor) shall be as valid and as effectual as if it had been passed at a meeting of the directors or committee as the case may be duly convened and held.

93. (a) A director may be represented at any meetings of the Board of directors by a proxy appointed by him in which event the presence or vote of the proxy shall for all purposes be deemed to be that of the director.

(b) The provisions of Articles 59-62 shall mutatis mutandis apply to the appointment of proxies by the directors.

VACATION OF OFFICE OF DIRECTOR

94. The office of director shall be vacated:

(a) If he gives notice in writing to the company that he resigns the office of director;

(b) If he absents himself (without being represented by proxy or an Alternate director appointed by him) from three consecutive meetings of the Board of directors without special leave of absence from the directors, and they pass a resolution that he has by reason of such absence vacated office;

(c) If he dies, becomes bankrupt or makes any arrangement or composition with his creditors generally;

(d) If he is found a lunatic or becomes of unsound mind.

APPOINTMENT AND REMOVAL OF DIRECTORS

95. The company may by ordinary resolution appoint any person to be a director and may in like manner remove any director and may in like manner appoint another person in his stead.

96. The directors shall have power at any time and from time to time to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors but so that the total amount of directors (exclusive of Alternate directors) shall not at any time exceed the number fixed in accordance with these Articles.

RIGHT TO ABSTAIN

97. A director of the company who is present at a meeting of the Board of directors at which action on any company matter is taken but on which matter he abstained from voting shall not be presumed to have assented or dissented to the action taken unless his assent or dissent shall be entered in the Minutes of the meeting or unless he shall file his written dissent from such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the

company immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favour of such action.

SEAL

98. The Seal shall only be used by the authority of the directors or of a committee of the directors authorised by the directors in that behalf and every instrument to which the Seal has been affixed shall be signed by one person who shall be either a director or the Secretary or some person appointed by the directors for the purpose. The company may have for use in any territory district or place not situate in The Principality of New Utopia, an official seal which shall be a facsimile of the Common Seal of the company, and PROVIDED THAT a director, Secretary or other officer or representative or attorney may without further authority of the directors affix the Seal of the company over his signature alone to any document of the company required to be authenticated by him under Seal or to be filed with the Registrar of Companies in The Principality of New Utopia or elsewhere wheresoever.

OFFICERS

99. The company may have a President, a Secretary or Treasurer appointed by the directors who may also from time to time appoint such other Officers as they consider necessary, all for such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the directors from time to time prescribe.

DIVIDEND AND RESERVE

100. Subject to the Ordinance, the directors may from time to time declare dividends on shares of the company outstanding and authorise payment of the same out of the funds of the company and may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.
101. The directors may, before declaring any dividends, set aside such sums as they think proper as a reserve or reserves which shall at the discretion of the directors, be applicable for any purpose of the company and pending such application may, at the like discretion, be employed in the business of the company.
102. No dividend shall be payable except out of the profits of the company, realised or unrealised.
103. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, if dividends are to be declared on a class of shares they shall be declared and paid according to the amounts paid or credited as paid on the shares of such class outstanding on the record date for such dividend as determined in accordance with these Articles but no amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this Article as paid on the share.

104. The directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the company on account of calls or otherwise.
105. The directors may declare that any dividend be paid wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures, or debenture stock of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all members and may vest any such specific assets in trustees as may seem expedient to the directors.
106. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the holder who is first named on the register of members, or to such person and to such address as such holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, or other monies payable in respect of the share held by them as joint holders. Any dividend, interest or other monies payable in cash in respect of shares issued to bearer may be paid as described in Article 133.
107. No dividend shall bear interest against the company.

CAPITALISATION

108. The company may upon the recommendation of the directors by ordinary resolution authorise the directors to capitalise any sum standing to the credit of any of the company's reserve accounts (including share premium account and capital redemption reserve fund) or any sum standing to the credit of profit and loss account or otherwise available for distribution and to appropriate such sum to members in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and to apply such sum on their behalf in paying up in full unissued shares (not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them in the proportion aforesaid. In such event the directors shall do all acts and things required to give effect to such capitalisation, with full power to the directors to make such provisions as they think fit for the case of shares which may otherwise become fractional shares. The directors may authorise any person to enter on behalf of all of the members interested into an agreement with the company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

BOOKS OF ACCOUNT

109. The company shall keep such accounts and records as the directors consider necessary or desirable in order to reflect the financial position of the company in respect to:

- (a) all sums of money received and expended by the company and the matters in respect of which the receipt or expenditure takes place;
- (b) all sales and purchases of goods by the company;
- (c) the assets and liabilities of the company.

Unless the company is a resident company in which case such books must be kept.

- 110. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors and no member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by Ordinance or authorised by the directors or by the company in general meeting.
- 111. The directors shall from time to time cause to be prepared and to be laid before the company in general meeting such reports and accounts as may be required by law.

AUDIT

- 112. The company may at any Annual General Meeting appoint an Auditor or Auditors of the company who shall hold office until the next Annual General Meeting, unless the company is a resident company in which case an Auditor or Auditors must be so appointed, and may fix his or their remuneration.
- 113. The directors may before the first Annual General Meeting appoint an Auditor or Auditors of the company who shall hold office until the first Annual General Meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors.
- 114. The directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act.

NOTICES

- 115. Notices shall be in writing and may be given by the company to any member either personally or by sending it by post, cable, telex, facsimile or other electronic means to him or to his address as shown in the register of members, such notice, if mailed, to be forwarded airmail if the address be outside The Principality of New Utopia, or, if the share be in bearer form, in accordance with the provisions of Article 132.
- 116. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice, and to have been effected at the expiration of three days after the letter containing the same is posted as aforesaid.

117. Where a notice is sent by cable, telex, facsimile or other electronic means, service of the notice shall be deemed to be effected by properly addressing, and sending such notice through a transmitting organisation and to have been effected on the day the same is sent as aforesaid.
118. A notice may be given by the company to the joint holders of record of a share by giving the notice to the joint holder first named on the register of members in respect of the share, or, if there is no register, to the joint holder first named on the share certificate.
119. A notice may be given by the company to the person or persons which the company has been advised are entitled to a share or shares in consequence of the death or bankruptcy of a member by sending it through the post as aforesaid in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
120. Notice of every general meeting shall be given in any manner hereinbefore authorised to:
- (a) every person shown as a member in the register of members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of members.
- (b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member of record where the member of record but for his death or bankruptcy would be entitled to receive notice of the meeting; and
- Except as provided by Article 132 relating to holders of shares issued to bearer, no other person shall be entitled to receive notices of general meetings.

WINDING UP

121. If the company shall be wound up the Liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Ordinance, divide amongst the members in specie or kind the whole or any part of the assets of the company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

If the company shall be wound up, and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in

proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. And if, in a winding up of the company, assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

INDEMNITY

123. The directors, Auditors and Officers for the time being of the company and any trustee for the time being acting in relation to any of the affairs of the company and their heirs, executors, administrators and personal representatives respectively shall be indemnified out of the assets of the company from and against all actions, proceedings, costs, charges, losses, damages and expenses which they or any of them omitted in or about the execution of their duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own wilful default and no such director, Auditor, Officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other director, Auditor, Officer or trustee or for joining in any receipt for the sake of conformity or for the solvency or honesty of any banker or other persons with whom any monies or effects belonging to the company may be lodged or deposited for safe custody or for any insufficiency of any security upon which any monies of the company may be invested or for any other loss or damage due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen through the wilful default of such director, Auditor, Officer or trustee.

FISCAL YEAR

124. The Fiscal Year of the company shall begin on the date of incorporation of the company and the anniversary date thereof in each year ending the day prior to the anniversary date in each year unless the directors prescribe some other period therefor.

AMENDMENTS OF ARTICLES

125. Subject to the Ordinance, the company may at any time and from time to time by special resolution alter or amend these Articles in whole or in part.

BEARER SHARES

126. Articles 127 to 134 shall apply only if the company is an International Business Company as defined in the Ordinance and shall with respect to bearer shares apply notwithstanding any other provision contained in these Articles.

127. The company may at the request of any applicant for shares issue such shares to bearer provided always that no share shall be issued to bearer unless it is fully paid up and non-assessable.

128. Where shares are issued to bearer they shall be represented by a certificate or certificates in bearer form (hereinafter referred to as a "bearer certificate" or "bearer certificates").
129. Shares issued to bearer shall be transferred by delivery of the bearer certificate or certificates representing the same.
130. Except as otherwise provided in these Articles the only person capable of being recognised as entitled to exercise any of the rights or to receive any of the benefits (subject to Article 133 hereof) in respect of a share issued to bearer shall be the holder of the bearer certificate representing the same and for such purposes the directors shall be entitled to require presentation of the certificate in question or evidence satisfactory to them that the person is the holder thereof.
131. There may, if the directors so resolve, be attached to or issued with each bearer certificate a coupon or series of coupons to specify the number of shares to which it relates and to bear a distinguishing number to the intent that to each dividend declared by the directors there shall correspond one and only one distinguishing number.
132. Where the company has issued shares to bearer, notices to any holder hereof shall (unless waived in manner set forth in Article 39 hereof or unless some other form of giving notice shall have been endorsed on the bearer certificate or certificates in question in which case such form shall be used) be deemed to have been given by publication of the notice in question in two editions of such local New Utopian publication as the directors shall resolve.
133. (a) Any dividend or distribution whether in cash or in specie, or payment of interest or other monies in respect of shares issued to bearer shall be made only on delivery of the relevant coupon (where coupons have been issued) or otherwise upon production of the relevant bearer certificate on the terms and in the manner specified in the advertisement thereof pursuant to paragraph (b) of this Article and may be paid or made by cheque, warrant or other document of title delivered to or sent through the post directed to such address as may be specified in writing by the holder of the bearer certificate in question or the relevant coupon as the case may be. Where appropriate there shall be delivered or sent in like manner with such payment a coupon or series of coupons as referred to in Article 131 bearing the next consecutive distinguishing number or numbers as the case may be.

(b) Upon any dividend, distribution, payment of interest or other monies being declared to be payable or made upon shares issued to bearer, the directors shall give notice thereof in the manner set forth in Article 132 stating:
 - (i) the date of declaration of the dividend;
 - (ii) the place or places to which the coupon or certificates shall be delivered or produced as the case may be; and
 - (iii) the time within which the coupon or certificate shall be delivered or produced as the case may be; and

(iv) where appropriate, the distinguishing number of the certificate or of the relevant coupon.

134. (a) The holder of shares registered in his name may upon delivery to the directors of a request in writing and the share certificate or certificates registered in his name in respect of such shares surrender such share certificate or certificates and receive in its or their stead as the case may be a bearer certificate or certificates in respect of some or all of such shares as he shall specify in the request and share certificate or certificates in registered form in respect of the remainder (if any);

(b) The holder of shares issued to bearer may upon delivery to the directors of a request in writing and the bearer certificate or certificates representing such shares surrender such share certificate or certificates and be registered as the holder in respect of some or all of such shares as he shall specify in the request and receive share certificate or certificates in registered form in respect thereof and bearer certificate or certificates for the remainder (if any).

DATED this [day] of [Month] [Year]

Names of Subscribers	Addresses and Descriptions	No of Shares Taken by Each Subscriber
[Name(s)]	[Address(es) and Description(s)]	[No of Shares]

Signed for and on behalf of [Registered Agent Name]

Registered Agent
[Registered Agent Address]
The Principality of New Utopia

Witness to the above signatures

[Name of Witness]

[Address of Witness]

SECOND SCHEDULE

CERTIFICATE OF INCORPORATION – Text only

The Principality of New Utopia

The Companies Ordinance 2000

~~ Certificate of Incorporation ~~

Certificate No:

The Registrar of Companies of the Principality of New Utopia HEREBY CERTIFIES pursuant to The Companies Ordinance 2000 that all the requirements of the Ordinance in respect of incorporation having been satisfied;

Name of Company:

is incorporated in the Principality of New Utopia as;

Class of Company:

this day of 199 .

Given under my hand and seal at the
Companies Registry in the Principality of
New Utopia.

.....

Registrar of Companies.