



# Ceylon Government Gazette

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PART I.—General: Minutes, Proclamations, Appointments,  
and General Government Notifications.

PART II.—Legal and Judicial.

PART III.—Provincial Administration.

PART IV.—Marine and Mercantile.

PART V.—Municipal and Local.

*Separate paging is given to each Part in order that it may be filed separately.*

## Part IV.—Marine and Mercantile.

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## NOTICES TO MARINERS.

**H**IS EXCELLENCY THE GOVERNOR has been pleased to direct that the following Notices to Mariners be published for general information.

By His Excellency's command,  
W. T. TAYLOR,  
Acting Colonial Secretary.

Colonial Secretary's Office,  
Colombo, March 27, 1896.

### BENGAL—No. 50.

*Australia, South—Spencer Gulf—A Lightship placed Eastward of the Western Edge of the Middle Bank.*

With reference to Notice to Mariners No. 250, dated December 30 last, issued by this office, the President, Marine Board, Port Adelaide, has given further notice (No. 1 of 1896) that a lightship has been placed about a mile to the eastward of the western edge of the Middle bank, Spencer gulf.

The vessel, painted red, has one mast (with ball at the masthead), from which a fixed white light is exhibited, visible in ordinary weather at a distance of ten miles.

The vessel is moored in  $3\frac{1}{2}$  fathoms L.W.S. with Barn Hill in line with Webling Point, bearing N.  $81^{\circ}$  E.,

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Middle Back Mount N.  $43^{\circ}$  W., and Plank Point N.  $48^{\circ}$  W.

Approximate position: lat.  $33^{\circ} 37' 20''$  S.; long.  $137^{\circ} 33'$  E.

This notice affects the Admiralty Chart of St. Vincent and Spencer Gulfs, No. 2,389B.

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 3, 1896.

### BENGAL—No. 51.

*Australia—Townsville—Master of Vessels cautioned against using any of the Channels in that Port.*

The Portmaster, Brisbane, has given notice (No. 1 of 1896) that as there is every probability of changes and damage caused by the recent heavy weather, experienced at Townsville, masters of vessels are cautioned to exercise the greatest care, and, if possible, not to attempt to use any of the channels in that port until they communicate with the local Harbour Master.

Due notification of any changes will be made as soon as information is received.

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 3, 1896.

## BENGAL.—No. 52.

*Australia—Cleveland Bay—Buoys out of position, and Lights temporarily discontinued.*

The following notice to Mariners (No. 2 of 1896), issued by the Portmaster, Brisbane, is re-published:—

Masters of vessels are cautioned that, as a result of the recent heavy weather experienced at the port of Townsville, all the buoys are out of position.

The leading light on Cape Cleveland for marking the passage inside the 4-ft. rock, and also the lighthouses on both breakwaters, are destroyed.

As soon as possible, the aids to navigation herein referred to will be restored, and the lights exhibited as formerly.

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 3, 1896.

## BENGAL.—No. 53.

*Australia—Port of Rockhampton—Buoys out of position.*

The following Notice to Mariners (No. 3 of 1896), issued by the Portmaster, Brisbane, is re-published:—

Masters of vessels are cautioned that all the buoys in Keppel bay and the Fitzroy river are missing or out of position. They will be restored as soon as practicable.

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 3, 1896.

## BENGAL.—No. 54.

*China Sea—Formosa—Disappearance of Lighthouse on South Cape.*

The British Admiralty has given notice (No. 72 of 1896) that the lighthouse (fixed red and white light) on Nansha or South cape, Formosa, has entirely disappeared. Approximate position: lat.  $21^{\circ} 55' N.$ , long.  $120^{\circ} 50\frac{1}{2}' E.$

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 6, 1896.

## BENGAL.—No. 55.

*New Zealand, North Island—Poverty Bay.—Alterations in Lights at Gisborne.*

The British Admiralty has given notice (No. 76 of 1896) that on December 31, 1895, the under-mentioned alterations would be made in the lights shown at Gisborne, north side of Poverty bay:—

1. Two new beacon lights would be exhibited.

The front light is a fixed red light, elevated 40 ft. above high water, and shown from a beacon, 25 ft. high, surmounted by a triangle painted black, as is also the small house at the base, the middle portion of the beacon being white. It is situated N.  $62^{\circ} W.$ , distant one mile, from the entrance of the Turanganui river.

Approximate position: lat.  $38^{\circ} 39' 20'' S.$ , long.  $178^{\circ} 1' 40'' E.$

The rear light is a fixed red light, elevated 50 ft. above high water, and shown from a beacon, 30 ft. high, surmounted by a rectangle, with a small house at the base, the whole painted white, and bearing N.  $31^{\circ} W.$  from the front beacon.

2. The lights shown from the flagstaff at the west side of the Turanganui river entrance, and from the square red beacon on Waikanae beach seaward of the flagstaff, have been altered from red to green. These lights bear, when in line, N.  $20^{\circ} E.$

3. The two green lights at the extremity of the breakwater have been replaced by two white lights, placed vertically 7 ft. apart, the upper light elevated 20 ft. above high water.

NOTE.—Vessels approaching the anchorage should keep the lights or beacons (1) in line, bearing N.  $31^{\circ} W.$ , until the beacon and flagstaff or lights on them (2) are in line, bearing N.  $20^{\circ} E.$ , when they should anchor in  $6\frac{1}{2}$  to 7 fathoms.

Variation,  $14^{\circ}$  easterly in 1896.

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 6, 1896.

## BENGAL.—No. 56.

*Eastern Archipelago—Borneo—Labuan—Victoria Harbour—Coal and Lighthouse Building.*

The British Admiralty has given notice (No. 79 of 1896) that information has been received from the new Central Borneo Company, dated January 18, 1896, that coal is now brought straight by rail to Victoria harbour, where there is a jetty, alongside which vessels may replenish their fuel.

Also, that a white lighthouse, from which a fixed red light will be exhibited, is in course of erection on Pappan island, Victoria harbour, but its exact position is not known.

Approximate position, Pappan island: lat.  $5^{\circ} 15\frac{1}{2}' N.$ , long.  $115^{\circ} 16' E.$

Further notice will be given when the light is exhibited.

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 6, 1896.

## BENGAL.—No. 57.

*Australia, South Coast—Port Pirie—Alteration in No. 1 Beacon Light.*

The British Admiralty has given notice (No. 80 of 1896) that on January 1, 1896, the light shown from No. 1 beacon, Port Pirie, would be altered from a white to a red light.

Approximate position: lat.  $33^{\circ} 9' 55'' S.$ , long.  $138^{\circ} 1' 5'' E.$

H. B. HOOPER, Comdr., R.I.M.,  
Acting Port Officer of Calcutta.

Calcutta, March 6, 1896.

## UNOFFICIAL ANNOUNCEMENTS.

## MEMORANDUM OF ASSOCIATION OF THE PALMERSTON TEA COMPANY, LIMITED.

1. THE name of the Company is "The Palmerston Tea Company, Limited."
2. The registered office of the Company is to be established in Colombo.
3. The objects for which the Company is established are—

(a) To purchase the following estates, to wit: (1) Palmerston, situated in Dimbula, Ceylon, containing in extent 212 acres or thereabouts, for two hundred and forty-eight thousand five hundred rupees (Rs. 248,500) Ceylon currency and four thousand five hundred pounds (£4,500) sterling; and (2) Queensland, in Maskeliya, Ceylon, containing in extent 231 acres or thereabouts, for one hundred and forty-nine thousand rupees (Rs. 149,000) Ceylon currency and three thousand and fifty pounds (£3,050) sterling, as from the First day of January, 1896, upon such terms and conditions as may be agreed upon between the Company and the proprietors of the said respective estates, and for such purpose forthwith to borrow at interest the sum of seven thousand five hundred and fifty pounds (£7,550) English sterling currency, upon primary mortgage of the said estates and premises or any part thereof.

(b) To purchase or lease or otherwise acquire any other land or lands, right of way, water-right, and other rights, privileges, and easements and concessions, and any machinery, implements, tools, live and dead stock, stores, effects, and other property, real or personal, movable or immovable, of any kind.

(c) To improve, plant, clear, cultivate, and develop the said estates, and any other lands that may be purchased, leased, or otherwise acquired, as tea estates, or with any other products, or in any other ways, and to construct, maintain, and alter any buildings or works necessary or convenient for the purposes of the Company.

(d) To purchase or lease any other lands either adjacent to the said estates or either of them, or to any other lands that may be purchased, leased, or acquired, or elsewhere for the purposes of water supply, and (or) providing fuel or timber for the business of the Company, or for any other purpose necessary for the working of the Company.

(e) To acquire or establish and carry on any other business, manufacturing, shipping, or otherwise, which can be conveniently carried on in connection with any of the Company's general business. To sell, lease, let on hire, mortgage, dispose of, turn to account, or otherwise deal with all or any of the property and rights of the Company. To sell the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other Company, either formed to acquire the same or having objects altogether or in part similar to those of this Company.

(f) To purchase tea leaf and (or) other raw products for manufacture, manipulation, and (or) sale.

(g) To manufacture tea leaf and (or) other products.

(h) To carry on the business of planters of tea and other products in all its branches.

(i) To borrow or raise money for the purposes of the Company, or receive money on deposit at interest or otherwise, and for the purpose of raising or securing money, or any other purpose, to issue any mortgages, debentures, debenture stock bonds, or obligations of the Company, either at par, premium, or discount, and either redeemable or irredeemable, or perpetual, secured upon all or any part of the undertaking, revenue, rights, and property of the Company, present and future, including uncalled capital or the unpaid calls of the Company, and to exchange or vary from time to time any such securities.

(j) To make, accept, endorse, and execute promissory notes, bills of exchange, and other negotiable instruments.

(k) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

4. The liability of the Shareholders is limited.

5. The capital of the Company is rupees one million, divided into two thousand shares of rupees five hundred each, with power to increase or reduce. The shares forming the capital (original, increased, or reduced) of the Company may be divided into such classes, with such preferences and other special incidents, and be held on such terms, as may be prescribed by the Articles of Association and Regulations of the Company for the time being or otherwise.

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:—

Names and Addresses of Subscribers.	Number of Shares taken by each Subscriber.
PERCY BOIS, Colombo ... ..	One
W. MOIR, Colombo ... ..	One
E. M. SHATTOCK, Colombo... ..	One
G. H. ALSTON, Colombo ... ..	One
G. CHAPMAN WALKER, Colombo ... ..	One
J. E. ALSTON, Colombo ... ..	One
F. J. DE SARAM, Colombo ... ..	One

Witness to the above signatures :

R. F. DE SARAM, Proctor, District Court, Colombo.

Dated at Colombo this Eighteenth day of March, 1896.

## ARTICLES OF ASSOCIATION OF THE PALMERSTON TEA COMPANY, LIMITED.

## REGULATIONS.

1. The regulations contained in table C in the schedule annexed to "The Joint Stock Companies, Ordinance, 1861," shall not apply to this Company, which shall be governed by the regulations contained in these articles, but subject to repeal, addition, or alteration by special resolutions. The Company may, by special resolution, alter or make provision instead of, or in addition to, any of the regulations of the Company, whether contained or comprised in these Articles or not.

## PRELIMINARY.

2. *Purchase of Estates.*—The Company shall forthwith, after its incorporation, purchase the following estates, to wit: (1) Palmerston, situated in Dimbula, Ceylon, containing in extent 212 acres or thereabouts, for Rs. 248,500 Ceylon currency and £4,500 sterling; and (2) Queensland, in Maskeliya, Ceylon, containing in extent 281 acres or thereabouts, for Rs. 149,000 Ceylon currency and £3,050 sterling, as from the First day of January, 1896, upon such terms and conditions as may be agreed upon between the Company and the proprietors of the said respective estates.

## BUSINESS.

3. *Commencement of Business.*—The Company may proceed to carry on business and to employ and apply its capital as soon after the registration of the Company as the Directors in their discretion shall think fit, and, notwithstanding that the whole of the shares shall not have been subscribed or applied for, or allotted, they shall do so as soon as in the judgment of the Directors a sufficient number of shares shall have been subscribed or applied for.

4. *Conduct of Business.*—The business of the Company shall be carried on by or under the management or direction of the Directors, and subject only to the control of General Meetings in accordance with these presents.

## ORIGINAL CAPITAL.

5. *Nature and Amount.*—The original capital of the Company is one million rupees, divided into two thousand shares of five hundred rupees each.

## ORIGINAL SHARES.

6. *Control.*—The shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit.

7. *Acceptance.*—Every person taking any share in the Company shall testify his acceptance thereof by writing under his hand, in such form as the Company from time to time directs.

8. *Payment.*—Of the full amount of five hundred rupees per share, one hundred and twenty-five rupees shall be paid on application, and the balance three hundred and seventy-five rupees shall be paid on allotment of each share.

9. *Interest on unpaid.*—If before or on the day appointed for payment any Shareholder does not pay the amount for which he is liable, then such Shareholder shall be liable to pay interest for the same at the rate of nine per cent. per annum from the day appointed for the payment thereof to the time of the actual payment.

10. *Issue.*—The shares, except where otherwise provided, shall be allotted at the discretion of and by the Directors, who may from time to time issue any unissued shares, and may add to such shares such an amount of premium as they may consider proper. Provided that such unissued shares shall first be offered by the Directors to the registered Shareholders for the time being of the Company, as nearly as possible in proportion to the shares already held by them, and such shares as shall not be accepted by the Shareholder or Shareholders to whom the shares shall have been offered, within the time specified in that behalf by the Directors, may be disposed of by the Directors in such manner as they think most beneficial to the Company. Provided also that the Directors may at their discretion allot any unissued shares in payment for any estates or lands acquired by the Company, without first offering such shares to the registered Shareholders for the time being of the Company.

## INCREASE OF CAPITAL.

11. *Nature and Amount.*—The Directors may, with the sanction of a special resolution of the Company in General Meeting, increase its capital by the creation of new shares, of such amounts per share and in the aggregate as such resolution shall direct.

12. *Same as Original Capital.*—Any capital raised by the creation of new shares shall, subject as aforesaid, be considered part of the original capital, and shall, accordingly, be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, and otherwise.

## NEW SHARES.

13. *Terms and Conditions.*—The new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting resolving on the creation thereof, or any other General Meeting of the Company, shall direct; and if no direction shall be given, as the Directors shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends, and to ranking in the distribution of the assets of the Company, and with a special or without any right of voting.

14. *Issue.*—All new shares shall be offered by the Directors to the registered Shareholders for the time being of the Company as nearly as possible in proportion to the amount of the existing shares held by them, and such shares as shall not be accepted by the Shareholder or Shareholders to whom the same shall

have been offered within the time specified in that behalf by the Directors, may be disposed of by the Directors in such manner as they think most beneficial to the Company. Provided that the Directors may at their discretion allot any new shares in payment for any estates or lands acquired by the Company, without first offering such shares to the registered Shareholders for the time being of the Company.

15. *Premium.*—The Directors shall have power to add to such new shares such an amount of premium as they may consider proper.

#### SHARE CERTIFICATES.

16. *Certificates.*—The certificates of title to shares shall be issued under the seal of the Company and signed by two Directors and the Secretary, or in such other manner as the Directors shall prescribe.

17. *How issued.*—Every member shall be entitled to one certificate for all the shares registered in his name, or to several certificates, each for a part of such shares; and every certificate of shares shall specify the number of shares in respect of which it is issued, the class, and the amount paid up thereon or credited thereto.

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

19. *Fee for same.*—Such sum (if any) not exceeding fifty cents, as the Directors may determine, shall be paid to the Company for every certificate so issued in the place of a certificate lost or destroyed.

20. *Company not bound to recognize any Interest in Share other than that of registered Holder, or of any Person under clause 35.*—The Company shall not be bound to recognize (even though having notice of) any contingent, future, partial, or equitable interest in the nature of a trust or otherwise in any share, or any other right in respect of any share, except an absolute right thereto in the person from time to time registered as the holder thereof, and except also the right of any person under clause 35 to become a shareholder in respect of any share.

#### JOINT HOLDERS.

21. *Certificate to the first named.*—The certificates of shares registered in the names of two or more persons shall be delivered to the person first-named in the register in respect thereof.

22. *Receipts and Votes.*—Any one of the joint-holders of a share may give effectual receipts for any dividends payable in respect of such share, but the Shareholder whose name stands first on the register, and no other, shall be entitled to the right of voting and of giving proxies, and all other advantages conferred on a sole Shareholder.

23. *Survivor only recognized.*—In case of the death of any one or more of the joint-holders of any shares, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to, or interest in, such shares.

24. *Liability of Joint-holders.*—Joint-holders shall be severally as well as jointly liable for all instalments and calls in respect thereof.

#### CALLS.

25. *Directors may make Calls.*—The Directors may from time to time make such calls as they think fit upon the Members in respect of all moneys unpaid on the shares held by them, and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made upon him to the person, and at the time and at the place appointed by the Directors. A call may be made either in one sum or by two or more instalments.

26. *Time when made.*—A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.

27. *Notice of Call.*—Two months' notice at the least of any call shall be given, specifying the time and place of payment, and to whom such call shall be paid.

28. *Interest on unpaid Call.*—If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalments shall be due, shall pay interest for the same at the rate of nine per cent. per annum from the day appointed for payment thereof to the time of the actual payment, but the Directors may, when they think fit, remit altogether or in part any sum becoming payable for interest under this clause.

29. *Payments in anticipation of Calls.*—The Directors may, at their discretion, receive from any Member willing to advance the same, and upon such terms as they think fit, including a condition that the same may be applied in extinction of future calls although not then made, all or any part of the moneys due upon the shares held by such Member beyond the sums paid up or payable thereon, and in particular such moneys may be received upon the terms that interest shall be paid thereon or on so much thereof as for the time being exceeds the amount called up.

#### TRANSFER OF SHARES.

30. *Exercise of Rights.*—No person shall exercise any rights of a Member until his name shall have been entered in the register of Members, and he shall have paid all calls and other moneys for the time being payable on every share in the Company held by him.

31. *Transfer of Shares.*—Subject to the restrictions of these Articles, any Member may transfer all or any of his shares. The instrument of transfer of any share shall be in writing, signed both by the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof.

32. *Refusal to register.*—The Directors may decline to register any transfer of shares by a Shareholder who is indebted to the Company, or of any share on which the Company has a lien, or any transfer of shares made by any person in any case where they shall consider the proposed transferee to be an irresponsible

person, or that the transfer will not be conducive to the interest of the Company, or in case of shares not fully paid up to any person not approved by them. The Directors shall not be required to assign any reason for so declining. In the event of the Directors declining to register a transfer, they shall, upon the request of the Shareholder desirous of executing the same, convene an Extraordinary General Meeting of the Company, to resolve whether the said transfer shall be registered or not; and the resolution of such General Meeting shall be absolute.

33. *Registration of Transfer.*—Every instrument of transfer must be left at the office of the Company to be registered, accompanied by such evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer his shares, and a fee of rupees two and cents fifty, or such other sum as the Directors shall from time to time determine, must be paid, and thereupon the Directors, subject to the powers vested in them by Article 32, shall register the transferee as a Shareholder and retain the instrument of transfer, but any instrument of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same.

34. *Close of Books.*—The transfer books shall be closed during the fourteen days immediately preceding the Ordinary General Meeting in each year.

#### TRANSMISSION OF SHARES.

35. *Death of Shareholders.*—The executors, or administrators, or heirs of a deceased Shareholder shall be the only persons recognized by the Company as having any title to his share.

36. *Registration of new Interest.*—Any person becoming entitled to a share in consequence of the death, bankruptcy, or insolvency of any Shareholder, or in consequence of the marriage of any female Shareholder, or in any way other than by transfer, may be registered as a Shareholder upon such evidence being produced as may from time to time be required by the Directors.

37. *Transfer of new Interest.*—Any person who has become entitled to a share in any way other than by transfer may, instead of being registered himself, elect to have some person to be named by him registered as a holder of such share. The person so becoming entitled shall testify such election by executing to his nominee a transfer of such share. The instrument of transfer shall be presented to the Company, accompanied with such evidence as the Directors may require to prove the title of the transferor, and thereupon the Company shall, subject to the power vested in them by Article 32, register the transferee as a Shareholder.

#### SURRENDER OF SHARES.

38. *Terms of.*—The Directors may accept, in the name and for the benefit of the Company, upon such terms and conditions as may be arranged, the surrender of any shares in the capital of the Company; and any share so surrendered shall be dealt with in the same manner as is provided in these Articles with regard to forfeited shares.

#### FORFEITURE OF SHARES.

39. *Preliminary Notice.*—If any Shareholder fails to pay any allotment money, or call, or instalment on the appointed day, the Company may at any time thereafter, during such time as the call remains unpaid, serve a notice on him requiring him to pay such call, together with any interest that may have accrued, and all expenses that may have been incurred by the Company by reason of such non-payment.

40. *Terms of Notice.*—The notice shall name a day (not being less than twenty-eight days from the date of the notice) and a place or places on and at which such allotment money, or call, or instalment, and such interest and expenses as aforesaid, are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the allotment money, or call, or instalment is payable will be liable to be forfeited.

41. *Forfeiture.*—If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all moneys, calls, or instalments and interest, and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect.

42. *Disposal of Shares forfeited.*—Any shares so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same in such manner as they think fit.

43. *Continuing liability.*—Any member whose shares have been forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all moneys, calls, instalments, interest, and expenses owing upon or in respect of such shares at the time of the forfeiture, together with legal interest thereon from the time of forfeiture until payment; and the Directors may enforce the payment of such moneys or any part thereof if they think fit.

44. *Annulment.*—The Directors may at any time before any share so forfeited shall have been sold, re-allotted, or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

#### LIEN OF COMPANY ON SHARES.

45. *Paramount.*—The Company shall have a first and paramount lien upon all the shares not fully paid up registered in the name of any Member (whether solely or jointly with others) for his debts, liabilities, and engagements, solely or jointly with any other person to or with the Company, whether the period for the payment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends declared on such shares.

46. *Enforcement.*—For the purposes of enforcing such lien the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member, his executors, or administrators, and default shall have been made by him or them in the payment, fulfilment, or discharge of such debts, liabilities, or engagements, for seven days after such notice.

47. *Application of Proceeds.*—The net proceeds of any such sale shall be applied in or towards satisfaction of the debts, liabilities, or engagements of such Member, and the residue (if any) paid to such Member, or his executors, administrators, or assigns.

48. *Transfer.*—Upon any sale in purported exercise of the powers given by these Articles, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or the application of the purchase money; and after his name has been entered in the register in respect of such shares, the sale shall not, as against him, be impeached by the former holder of the shares or any other person, and the remedy of any Member or person aggrieved by such sale shall be in damages only, and against the Company exclusively.

#### PREFERENCE SHARES.

49. *Preference and deferred Shares.*—Any shares from time to time to be issued or created may from time to time be issued with any such guarantee or any such right of preference, whether in respect of dividend or of repayment of capital, or both, or any such other special privilege or advantage over any shares previously issued, or then about to be issued (other than shares issued with a preference), or at such a premium, or with such deferred rights as compared with any shares previously issued, or then about to be issued, or subject to any such conditions or provisions, and with any such right or without any right of voting, and generally on such terms as the Company may from time to time by special resolution determine.

50. *Resolutions affecting a particular class of Shares.*—If at any time by the issue of preference shares or otherwise the capital is divided into shares of different classes, then the holders of any class of shares may, by an extraordinary resolution passed at a meeting of such holders, consent, on behalf of all the holders of shares of the class, to the issue or creation of any shares ranking equally therewith, or having any priority thereto, or to the abandonment of any preference or priority, or of any accrued dividend, or the reduction for any time, or permanently of the dividends payable thereon, or to any scheme for the reduction of the Company's capital affecting the class of shares, and such resolution shall be binding upon all the holders of shares of the class, provided that this Article shall not be read as implying the necessity for such consent in any case in which but for this Article the object of the resolution could have been effected without it.

51. *Meeting affecting a particular class of Shares.*—Any meeting for the purpose of the last preceding clause shall be convened and conducted in all respects as nearly as possible in the same way as an Extraordinary General Meeting of the Company, provided that no Member, not being a Director, shall be entitled to notice thereof or to attend thereat, unless he be a holder of shares of the class intended to be effected by the resolution, and that no vote shall be given except in respect of a share of that class, and that at any such meeting a poll may be demanded in writing by any five Members personally present and entitled to vote at the meeting.

#### REDUCTION OF CAPITAL.

52. *Reduction of Capital.*—The Company may from time to time, by special resolution, reduce its capital, and may consolidate or subdivide any of its shares which have not been taken or agreed to be taken by any person. Paid up capital may be returned upon the footing that the amount may be called up again or otherwise.

#### BORROWING POWERS.

53. *Power to Borrow.*—The Directors may, at the commencement of the business of the Company borrow or raise from the Directors or other persons £7,550 English sterling currency, secured by primary mortgage of the Palmerston and Queensland estates, lands, and assets of the Company or part thereof; and thereafter the Directors may from time to time, at their discretion, borrow or raise from the Directors or other persons any further sum or sums of money for the purposes of the Company, provided that the further moneys so borrowed or raised, and owing at any one time shall not, without the sanction of the General Meeting, exceed rupees two thousand five hundred. Only with the sanction of a General Meeting the Directors shall be entitled to borrow such further sum or sums, and at such rates of interest as such meeting shall determine.

54. *Security for repayment.*—For the purpose of securing the repayment of any such moneys so borrowed or raised, or for any other purpose, the Directors may create and issue any mortgages, debentures, debenture stock bonds, or obligations of the Company charged upon all or any part of the undertaking, revenue, property, and rights of the Company (both present and future), including uncalled capital, or unpaid calls, or by giving, accepting, or endorsing, on behalf of the Company any promissory notes or bills of exchange. Any such securities may be issued either at par or at a premium or discount, and may from time to time be varied or exchanged as the Directors may think fit, and may contain any special privileges as to redemption, surrender, drawings, allotment of shares, or otherwise.

55. *Proof of power to Borrow.*—A declaration under the Company's seal contained in or endorsed upon any of the documents mentioned in Article 54, and subscribed by two or more of the Directors or by one Director and the Secretary, to the effect that the Directors have power to borrow the amount which such document may represent, shall be conclusive evidence thereof in all questions between the Company and its creditors; and no such document containing such declaration shall, as regards the creditor, be void on the ground of its being granted in excess of the aforesaid borrowing power, unless it be proved that such creditor was aware that it was so granted.

56. *Assignment of Security.*—Every mortgage debenture or other instrument issued by the Company for securing the payment of money may be so framed that the moneys thereby secured shall be assignable free from any equities between the Company and the person to whom the same may be issued.

#### GENERAL MEETINGS.

57. *First General Meeting.*—The first General Meeting shall be held at such time, not being more than twelve months after the incorporation of the Company, and at such place as the Directors may determine.

58. *Subsequent General Meeting.*—Subsequent General Meetings may be held at such time and place as may be prescribed by the Company in General Meeting, and if not so prescribed, then at such place and at such time as soon after the first day of January in each year as the Directors shall determine.

59. *Ordinary and Extraordinary.*—The above-named General Meetings shall be called Ordinary Meetings; all other General Meetings shall be called Extraordinary.

60. *Convening Extraordinary.*—The Directors may, whenever they think fit, and they shall, upon a requisition made in writing by not less than one-fifth in number of the Shareholders of the Company for the time being, or by any Shareholder or Shareholders holding not less than one-fifth part of the shares of the Company for the time being subscribed for, convene an Extraordinary General Meeting.

61. *Requisition for Extraordinary.*—Any requisition so made by the Shareholder or Shareholders shall express the object of the meeting proposed to be called, and shall be left at the registered office of the Company.

62. *Time and place for Extraordinary.*—Upon the receipt of such requisition, the Directors shall forthwith proceed to convene an Extraordinary General Meeting, to be held at such time and place as they shall think fit, not being more than twenty-one days after the leaving of the requisition; and if they do not proceed to convene the said meeting within twenty-one days after the leaving of the requisition, the requisitioner, or requisitionists, or any other Shareholders amounting to the required number may, himself or themselves, convene an Extraordinary General Meeting to be held at such time or place as he or they shall think fit.

63. *Advertisement of Extraordinary.*—Fourteen days' notice at least, specifying the place and the hour of meeting, and purpose for which any meeting is to be held, shall be given by advertisement in the *Ceylon Government Gazette*, or in such other manner, if any, as may be prescribed by the Company.

#### PROCEEDINGS AT GENERAL MEETINGS.

64. *Resolution.*—Any Shareholder may, on giving not less than ten days' previous notice of any resolution, submit the same to a meeting.

65. *Notice of.*—Such notice shall be given by leaving a copy of the resolution at the registered office of the Company.

66. *Quorum.*—In order to constitute a meeting, whether Ordinary or Extraordinary, there shall be present, either personally or by proxy, three or more Shareholders, holding in the aggregate not less than one-tenth of the capital for the time being subscribed for.

67. *Want of Quorum.*—If within one hour from the time appointed for the meeting the required number of Shareholders is not present, the meeting if convened upon the requisition of a Shareholder or Shareholders, shall be dissolved. In any other case it shall stand adjourned to the following day at the same time and place; and if at such adjourned meeting the required number of Shareholders is not present, it shall be adjourned *sine die*.

68. *Quorum for sale of Property or Dissolution.*—In the event of a resolution being brought before General Meeting involving the sale of the Company's estates or any portion thereof, or the winding up of the Company, a majority of three-fourths of the Shareholders present and (or) represented by proxy shall be necessary to carry such resolution.

69. *Chairman.*—The Chairman (if any) of the Board of Directors shall preside as Chairman at every meeting of the Company.

70. *Choice of Chairman.*—If there be no such Chairman, or if at any meeting he is not present at the time of holding the same, the Shareholders present shall choose some one of their number to be Chairman of such meeting.

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

72. *Poll.*—At any General Meeting, unless a poll is demanded by at least two Shareholders, a declaration by the Chairman that a resolution has been carried, and an entry to that effect in the book of proceedings of the Company, shall be sufficient evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. If a poll is demanded in manner aforesaid, the same shall be taken in such manner as the Chairman directs, and the result of such poll shall be deemed to be the resolution of the Company in General Meeting.

#### VOTES OF SHAREHOLDERS.

73. *Proportion of votes to Shares.*—Every Shareholder shall (except as provided for in the Article immediately following) have one vote for every one share held by him up to three. He shall have an additional vote for every two shares beyond the first three up to seven, and an additional vote for three shares held by him beyond the first seven up to ten, and an additional vote for every five shares beyond the first ten.

74. *Sale or winding Up.*—When voting on a resolution involving the sale of the Company's estates or any portion thereof, or the winding up of the Company, every Shareholder shall have one vote for every share held by him.

75. *Legal Disability.*—If any Shareholder is a minor, lunatic, or idiot, or prodigal, he may vote by the person, or one of the persons if more than one, legally appointed to the charge and administration of his property.

76. *Joint Shareholders.*—If one or more persons are jointly entitled to a share or shares, the person whose name stands first in the register of Shareholders as one of the holders of such share or shares, and no other, shall be entitled to vote in respect of the same.

77. *Disqualification to Vote.*—No Shareholder shall be entitled to vote at any meeting unless all calls due from him have been paid; and no Shareholder other than the trustee or assignee of a bankrupt or representative of a deceased Shareholder, or person acquiring by marriage, shall be entitled to vote at any



meeting held after the expiration of three months from the registration of the Company in respect of any share which he has acquired by transfer, unless he has been possessed of the share in respect of which he claims to vote at least three months previously to the time of holding the meeting at which he proposes to vote.

78. *Mode of Voting.*—Votes may be given either personally or by proxy. A proxy shall be appointed in writing under the hand of the appointor, or, if such appointor is a corporation, under their common seal, and shall have affixed thereto a stamp of such value as shall in law be requisite. Any instrument appointing a proxy may be in the following form:—

*The Palmerston Tea Company, Limited.*

I, \_\_\_\_\_, of \_\_\_\_\_, appoint \_\_\_\_\_, of \_\_\_\_\_ (a Shareholder in the Company), as my proxy to represent me and to vote for me and on my behalf at the Ordinary (or Extraordinary, as the case may be) General Meeting of the Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_, and at any adjournment thereof and at every poll which may be taken in consequence thereof.

Dated the \_\_\_\_\_ day of \_\_\_\_\_, 18—.

79. *Proxy.*—No person shall be appointed a proxy who is not a Shareholder, and the instrument or mandate appointing him shall be deposited at the registered office of the Company not less than forty-eight hours before the time of holding the meeting at which he proposes to vote, but no instrument or mandate appointing a proxy shall be valid after the expiration of three months from the date of its execution.

DIRECTORS.

80. *Number of Directors.*—Until otherwise determined by a General Meeting, the number of Directors shall not be less than three nor exceed seven.

81. *Qualification of Directors.*—The qualification of a Director shall be the holding of shares or stock of the nominal amount of rupees five thousand (Rs. 5,000). A first Director may act before acquiring this qualification, but shall in any case acquire the same within one month from his appointment; and unless he shall do so he shall be deemed to have agreed to take the said shares or stock from the Company, and the same shall be forthwith allotted to him accordingly.

82. *First Directors.*—The first Directors shall be Walter Cross Buchanan, of Dimbula; Percy Bois, of Colombo; and George Hay Alston, of Colombo, who shall have power to nominate and appoint any other persons to be additional Directors, so that the total number of Directors shall not at any time exceed seven, and they shall hold office, except in the event of their becoming respectively disqualified, until the first Ordinary General Meeting of the Company.

83. *Vacancy in the Board.*—Any casual vacancy in the Board may be filled up by the Board, but any person so chosen shall hold his office only until the next annual General Meeting.

84. *If Directors suffice to form a Quorum.*—The powers or functions of a Board shall not cease or be suspended so long as the Board consists of a sufficient number of Directors to form a quorum, although the number of Directors should, from any cause whatever, have fallen below the prescribed lowest number of Directors.

85. *Remuneration of Directors.*—As remuneration for their services, the Directors shall be entitled to receive out of the funds of the Company an annual sum not exceeding rupees one thousand five hundred (Rs. 1,500), or such other sum as may be voted by the Shareholders in General Meeting. Such remuneration shall be exclusive of the sum paid to the Members of any local board or committee, or of the sum paid by salary or remuneration to any Managing Director or Directors, and shall be divided among the Directors as they may determine.

86. *Remuneration for extra services.*—If any Director shall be called upon to go or reside abroad on the Company's business, or otherwise perform extra services at home or abroad, the Board may arrange with such Director for such special remuneration for such services, either by way of salary, commission, or the payment of a stated sum of money as they shall think fit.

DISQUALIFICATION OF DIRECTORS.

87. *Resignations of Directors.*—A Director may at any time give notice in writing of his wish to retire by delivering such notice at the office of the Company, and on the acceptance by the Board of his resignation, but not before, his office shall be vacant.

88. *When Office of Director to be vacated.*—The office of a Director shall be vacated—

If he ceases to hold the required number of shares to qualify him for the office.

If by notice in writing to the Company he resigns his office.

If he becomes bankrupt or insolvent, or files a petition for the liquidation of his affairs, or compounds with his creditors.

If he is found lunatic, or become of unsound mind.

89. *Removal of Director.*—The Company may, by an extraordinary resolution, remove any Director, including a Managing Director, before the expiration of his period of office, and on such removal may, by an extraordinary resolution, appoint a qualified Member in his stead, and the Director so appointed shall in all respects stand in the place of his predecessor.

90. *Director interested in a Contract.*—No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, or otherwise; nor shall any such contract or arrangement entered into by or on behalf of the Company with any Company or partnership, or in which any Director shall be a Member or otherwise interested be avoided; nor shall any Director so contracting, or being such a Member, or so interested, be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation

thereby established; but no Director shall vote in respect of any such contract or arrangement; and the nature of his interest where it does not appear on the face of the contract shall be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest.

#### ROTATION OF DIRECTORS.

91. *Number to retire.*—At the first Ordinary Meeting of the Company, all the Directors shall retire, and at the first Ordinary Meeting in every subsequent year one-third of the Directors for the time being or the number next below one-third shall retire from office, but if qualified shall be eligible for re-election.

92. *Retirement by Seniority.*—The Directors to retire in any year shall always be those who have been longest in office, and in case of Directors equal in length of office shall, unless such Directors agree among themselves, be determined by ballot.

93. *Decision of question as to retirement.*—When any question arises as to retirement of any Director or Directors, it shall be decided by the Board, whose decision shall be final and binding on all concerned.

94. *Election.*—The Company at the Ordinary General Meeting shall fill up the offices vacated by the retiring Directors by electing a like number of persons.

95. *Old Directors when continued.*—If at any meeting at which an election of Directors ought to take place no such election is made, the meeting shall stand adjourned till the next day, at the same time and place; and if at such adjourned meeting no election takes place, the former Directors shall continue to act until new Directors are appointed at the first Ordinary Meeting of the following year.

96. *Increase or reduction of number of Directors.*—The Company in General Meeting may from time to time increase or reduce the number of Directors and alter their qualifications.

97. *Additional Directors.*—Upon the passing of a resolution for an increase in the number of Directors, the Company in General Meeting may forthwith elect such additional Director or Directors, and may also determine in what manner or rotation such increased or reduced number is to go out of office.

#### MANAGING DIRECTOR.

98. *Appointment, Remuneration, and Powers.*—The Directors may from time to time appoint one or more of their body to be Managing Director or Directors of the Company, either for a fixed term without any limitation as to the period for which he is to hold such office, and may, subject to any contract between him and the Company from time to time, remove or dismiss him from office and appoint another in his place. The remuneration of a Managing Director shall, subject to any contract between him and the Company from time to time, be fixed by the Directors, and may be by way of salary, commission, percentage, or participation in profits, or by any or all of those modes. The Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient, and may from time to time revoke, withdraw, alter, or vary all or any of such powers.

99. *Retirement of Managing Director.*—A Managing Director shall not, while he continues to hold that office, be subject to retire by rotation, but (subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Director from any cause, he shall *ipso facto* and immediately cease to be a Managing Director.

100. *Vacancy in Office.*—In the case of any vacancy in the office of Managing Director, the Directors may either fill up the office by the appointment of some other of the Directors, or may discontinue such office as they may think fit.

#### PROCEEDINGS OF DIRECTORS.

101. *Meetings of Directors.*—The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit, and may determine the quorum necessary for the transaction of business. And until otherwise determined two Directors shall be a quorum.

102. *Summoning Meetings: Questions how decided.*—A Director may, and the Secretary at the request of any Director shall, at any time summon a meeting of the Directors. Questions arising at any meeting of Directors shall be decided by a majority of votes of the Directors present, and in case of equality of votes the Chairman shall have a casting vote.

103. *President at Meetings.*—The Directors may elect a Chairman and Deputy Chairman of their meetings, and may determine the period for which such officers shall respectively hold office. In the absence of the Chairman (if any) the Deputy Chairman (if any) shall preside. If such officers have not been appointed, or if neither be present at the time appointed for a meeting, the Directors present shall choose some one of their number to be Chairman of such meeting.

104. *Minutes.*—The Directors shall cause minutes to be made in a book or books provided for and used solely for that purpose—

- (1) Of all appointments of officers made by the Directors;
- (2) Of the names of Directors present at each meeting of Directors;
- (3) Of all orders made by the Directors; and
- (4) Of all resolutions and proceedings of meetings of the Company and of the Directors.

And any such minute as aforesaid, if signed by any person purporting to be the Chairman of any meeting of Directors, shall be receivable in evidence without any further proof.

105. *Powers of a Meeting of Directors.*—A meeting of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions by or under these presents vested in or exercisable by the Directors generally.

106. *Unanimous Resolution in Writing.*—A resolution in writing by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

107. *Delegation of Directors' Powers.*—The Directors may delegate any of their powers to committees consisting of such Member or Members of their body as they think fit, and may revoke the appointment of any such committee. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors.

108. *Regulation of Proceedings of Committee.*—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 Directors, so far as the same are applicable thereto, and are not superseded by the express terms of the appointment of the committee or by any such regulations as aforesaid.

#### POWERS OF DIRECTORS.

109. *Powers of Directors.*—The management of the business and the control of the Company shall be vested in the Directors, who, in addition to the powers and authorities by these presents expressly conferred upon them, may exercise all such powers, and do all such acts and things as may be exercised or done by the Company, and are, not hereby or by Ordinance expressly directed or required to be exercised or done by the Company in General Meeting, but subject, nevertheless, to such regulations not being inconsistent with these presents as may from time to time be made by extraordinary resolution of a General Meeting; but no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

110. *Special Powers.*—Without prejudice to the general powers conferred by the last preceding clause, and to other powers and authorities conferred by these Articles, it is hereby expressly declared that the Directors shall be entrusted with the following powers, viz. :—

(1) To carry into effect the purchase of Palmerston and Queensland estates hereinbefore referred to.  
 (2) To borrow at interest the sum of seven thousand five hundred and fifty pounds English sterling currency in Article 53 of these presents hereinbefore referred to, and for securing the same to execute and deliver a mortgage or mortgages charging the same upon the said Palmerston and Queensland estates or part of the said sum on the one estate and part thereof on the other estate.

(3) To purchase or otherwise acquire for the Company any property, rights, or privileges which the Company is authorized to acquire, at such price and generally on such terms and conditions as they may think fit.

(4) At their discretion to pay for any property or rights acquired by, or services rendered to, the Company, either wholly or partially in cash or in shares issued as fully or partly paid-up shares, bonds, debentures, or other securities of the Company.

(5) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of or upon all or any of the property and rights of the Company, including its uncalled capital for the time being, or in such other manner as they may think fit. To make rules or regulations for the management of the property of the Company, and for that purpose to appoint and, at their discretion, to remove or suspend, without assigning reason or cause therefor, such managers, secretaries, officers, clerks, agents, and servants for permanent, temporary, or special services as they may from time to time think fit, and invest them with such powers as they may deem expedient, and to determine their duties and fix their salaries or emoluments which may be paid out of the funds of the Company or by way of participation in profits, or both, and to require security in such instances and to such amount as they may think fit.

(6) To make temporary advances, deposits, or loans of any money not for the time being required for the purposes of the Company to such persons, and upon such security other than shares of the Company as they may think fit, and generally to direct, manage, and control the receipt, custody, employment, investment, and expenditure of the moneys and funds of the Company, and the keeping of the accounts of the Company.

(7) To execute in the name and on behalf of the Company such mortgages, charges, and other securities on the Company's property (present and future), including its uncalled capital, as they think fit, in favour of any Director or Directors of the Company, or other person who may incur or be about to incur any personal liability, whether as principal or security for the benefit of the Company, or in favour of any trustee or trustees to secure payment of moneys lent and advanced to the Company upon debentures or otherwise, and any such instrument may contain a power of sale, and such other terms, conditions, powers, covenants, and provisions as may be agreed on, or as in their discretion the Directors may deem necessary or expedient.

(8) To institute, conduct, defend, compound, or abandon any legal proceedings by and against the Company or other officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company.

(9) To refer any claims or demands by or against the Company to arbitration, and to perform, observe, and carry out the awards thereon.

(10) To make, draw, accept, and endorse cheques, promissory notes, or bills of exchange on behalf of the Company.

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

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

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

(14) To apply for, acquire by purchase or otherwise, any concessions, privileges, or contracts, and to carry out the same.

(15) To cause the Company to be registered, incorporated, or domiciled in any foreign country, colony, or elsewhere, and to establish such agencies for carrying on the business of the Company, either in the

United Kingdom, Ceylon, or in the Colonies, or the United States of America, South America, or elsewhere as they may think fit.

(16) To negotiate for, and, subject to the approval of the Company in General Meeting, contract for the transfer of its undertaking or any part thereof, as a going concern, with or subject to the benefit of all or any part of its property or assets, and subject or not subject to all or any of its obligations and liabilities.

#### COMMITTEES AND DELEGATION OF POWERS.

111. *Sub-administration.*—The Directors may from time to time provide for the administration and management of the affairs of the Company in the United Kingdom, India, or elsewhere abroad, in such manner as they shall think fit, and in particular may appoint any local managers, and establish any committees of administration, or advice, or agencies for managing the same, and may appoint any persons to be members of any such committee, and may delegate to them such of the powers, authorities, and discretions for the time being vested in the Directors as they may think fit, and may fix their remuneration, and authorize them to fill up vacancies, and to act notwithstanding vacancies, any such appointment being 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.

112. *Appointment of Attorney.*—The Directors may at any time and from time to time, by deed under the seal of the Company, appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Directors under these presents, but including power to sub-delegate), and for such period and subject to such conditions as the Directors may from time to time think fit.

113. *Who may be made Attorney.*—Any such appointment as referred to in the previous clause may, if the Directors think fit, be made in favour of the Members or any of the Members of any committee established in virtue of these presents, or in favour of any Company or of the Members or Managers of any Company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney or attorneys, as the Directors think fit, and any such delegates or attorneys may be authorized by the Directors to sub-delegate all or any of the powers, authorities, or discretions for the time being vested in them.

#### TRUSTEES.

114. *Trustees.*—The Directors may, if they think fit, at any time appoint any corporation or any person or persons to act as trustee or trustees for any of the purposes of the Company, and in particular to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, and may execute and do all such acts, deeds, and things, as may be necessary to vest the same in any such corporation, person, or persons. Any trustee so appointed may be removed by the Directors, and shall have such remuneration, powers, and indemnities, and perform such duties, and be subject to such regulations as the Directors may determine.

#### COMMON SEAL.

115. *Common Seal.*—The Directors shall provide a common seal of the Company, and for the safe custody of the same; and the common seal of the Company shall not be affixed to any instrument, document, or writing, except in the presence of two or more of the Directors, or of one Director and the Secretary or Secretaries for the time being, who shall attest the sealing thereof, such attestation on the part of the Secretaries, in the event of a firm being the Secretaries, being signified by a partner of the said firm signing for or on behalf of the said firm as such Secretaries.

#### GENERAL PROVISIONS AS TO DIRECTORS AND OTHER OFFICERS.

116. *Indemnity.*—The Directors and other officers shall be indemnified by the Company against all costs, losses, and expenses incurred by them in or about the discharge of their respective duties, except such as may happen from their own respective wilful or wrongful act or default.

117. *Acts valid notwithstanding informal Appointment.*—All acts *bonâ fide* done by any meeting of Directors, or by a Committee of Directors, or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director or person 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 and act as a Director.

118. *Not liable as to acts of others.*—No Director, trustee, or officer, his heirs, executors, administrators, or assigns shall be liable for any other Director, trustee, or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of any security in or upon which any of the Company's property or funds shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person with whom any moneys, securities, or effects shall be deposited, or for any loss, damage, or misfortune whatsoever which shall happen in the execution of the duties of his respective office, or in relation thereto, unless the same shall happen through his own wilful neglect or default.

#### DIVIDENDS.

119. *Profits belong to Shareholders.*—Subject to the provisions with reference to the dividends on the preference shares or stock which may from time to time be issued, and also to the other provisions of these presents, the profits of the Company shall belong to the holders of ordinary shares or stock in the capital of the Company in proportion to the amount of capital for the time being paid up or credited as having been paid up in respect of such ordinary shares or stock. Provided, nevertheless, that where money is paid up in advance of calls upon the footing that the same shall carry interest, such money shall carry interest accordingly, and shall not (whilst carrying interest) confer a right to participate in profits.

120. *Declaration of Dividend.*—The Company in General Meeting may declare a dividend to be paid to the Members according to their rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Directors. The Company in General Meeting may, however, declare a smaller dividend.

121. *Dividend from Profits.*—No dividend shall be payable except out of the profits arising from the business of the Company, but whenever a profit shall have been derived from the Company's undertaking for and during the period covered by any balance sheet, then such profit or any part thereof may be distributed by way of dividend, notwithstanding that the undertaking may have theretofore been carried on at a loss, or that the Company's assets may not be estimated and considered equal in value to the amount of the paid-up capital, and notwithstanding that any part of the paid-up capital may, previously to such period, have been wholly or partially lost or unprofitably expended.

122. *Interim Dividend.*—The Directors may also at any time and from time to time, without the sanction of a General Meeting, distribute amongst and pay to the Members out of the estimated earnings or profits of the Company, having regard to their rights and interests therein, such sum or sums of money by way or in the name of interim dividend, bonus, or interest on capital as in their judgment the position of the Company may justify.

123. *Lien on Dividends.*—The Directors may retain dividends payable on any shares 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, including all such sums of money as may be due and payable on account of calls or instalments unpaid.

124. *Joint-holders.*—In case several persons are registered as the joint-holders of any share or shares, any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share or shares.

125. *Loss of Dividend Warrant, &c.*—The Company shall not be responsible for the loss of any cheque, dividend warrant, or post office order which shall be sent by post in respect of dividends, whether sent by request or otherwise.

126. *Unpaid Dividend not to bear Interest.*—No unpaid interest or dividend shall bear interest as against the Company.

#### RESERVE FUND.

127. *Reserve Fund.*—The Directors may, but shall not be obliged, before recommending or declaring any dividend, or bonus, or interest on capital in respect of any class of shares out of or in respect of the earnings or profits of the Company for any yearly or other period, cause to be reserved and retained, and set aside out of such profits such sum as they may think proper to form a reserve fund to meet contingencies or depreciations in the value of the property of the Company, or for equalising dividends, or for repairing, improving, and maintaining any of the property of the Company, providing against losses, meeting claims on, or liabilities of the Company, or for such other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company.

128. *Investment of Reserve Fund.*—All moneys carried to the reserve fund, and all other moneys of the Company not immediately applicable or required for any payment to be made by the Company, may be either employed in the business of the Company or be invested by the Directors upon such securities (other than the purchase of a loan upon shares of the Company) as the Directors may from time to time think proper, with power for them from time to time to deal with and vary such investment, and to dispose of all or any part thereof for the benefit of the Company, and to divide the reserve fund into such special funds as they may think fit.

#### ACCOUNTS.

129. *Accounts.*—The Directors shall cause true accounts to be kept of the moneys received and expended by the Company, and all matters in respect of which such receipts and expenditure take place, and of the property, assets, credits, and liabilities of the Company.

130. *Inspection of Accounts by Members.*—The Directors shall from time to time determine whether and to what extent, and at what time 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 the Members; and no Member shall have any right of inspecting any account, or book, or document of the Company except as conferred by Ordinance or authorized by the Directors, or by a resolution of the Company in General Meeting.

131. *Balance Sheet.*—At the Ordinary Meeting in every year the Directors shall lay before the Company a balance sheet containing a summary of the property and liabilities of the Company, and if the Directors shall deem expedient a profit and loss account made up to a date to be therein mentioned, which shall be as near the day of meeting as can be conveniently fixed.

132. *To be accompanied by Report of Directors.*—Every such statement shall be accompanied by a report of the Directors as to the state and condition of the Company, and as to the amount which they recommend to be paid out of the profits by way of dividend or bonus to the Members, and the amount (if any) which they propose to carry to the reserve fund according to the provisions in that behalf hereinbefore contained.

133. *Capital Expenditure.*—The cost to the Company of and incident to the acquisition by purchase of any property of a wasting nature, or any extraordinary expenditure may be treated as capital expenditure and spread over a series of years, or otherwise treated as the Directors may determine, and the amount of such expenditure for the time being outstanding may, for the purpose of calculating the profits of the Company for the dividend, be reckoned as an asset.

134. *May be spread over a series of years.*—Any costs attending the formation of the Company, or in connection with the purchase of any business or contract, or the establishing of any new branch of business, or any extraordinary expenditure, may be spread over any series of years, and for the purpose of calculating profits, such costs or expenditure, or any part thereof for the time being not written off, may be reckoned as an asset.

## AUDIT AND INSPECTION OF ACCOUNTS.

135. *Audit.*—The accounts of the Company shall, once at least in every year, be examined and audited by an Auditor or Auditors.

136. *Auditors.*—The number of Auditors, the person or persons to fill the office of Auditor or Auditors, and the remuneration of the Auditor or Auditors, and his or their term of office, may from time to time be determined and varied by the Company in General Meeting.

137. *Appointment of First Auditors.*—Subject to the last Article, the Directors may appoint the first Auditor or Auditors to audit the accounts of the Company until the first Ordinary General Meeting, when he or they shall retire, but shall be re-eligible, and may fix his or their remuneration.

138. *Retirement of Auditors.*—The Auditor or Auditors for the time being shall retire at the first Ordinary General Meeting in every year, but shall be re-eligible. If, on the retirement of an Auditor as aforesaid, no person shall be appointed his successor by the General Meeting at which his retirement shall take place, he shall be considered as re-elected for another year, though no resolution to that effect shall be passed or proposed. If any casual vacancy shall occur in the office of Auditor, the Directors shall forthwith fill up the same.

139. *Accounts to be open to Auditor.*—All accounts of the Company shall at all times be open to the Auditor or Auditors for the purposes of audit.

140. *Balance Sheet.*—Every Auditor shall be supplied with a copy of the balance sheet, and it shall be his duty to examine the same with the accounts and vouchers relating thereto.

141. *List of Books.*—Every Auditor shall have a list delivered to him of all books kept by the Company, and he shall at all reasonable times have access to the books and accounts of the Company. He may, at the expense of the Company, employ accountants or other persons to assist him in investigating such accounts, and he may in relation to such accounts examine the Directors or any other officer of the Company.

142. *Report.*—The Auditors shall make a report to the Shareholders upon the balance sheet and accounts, and in every such report they shall state whether in their opinion the balance sheet is a full and fair balance sheet containing the particulars required by these regulations, and properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, and in case they have called for explanations or information from the Directors, whether such explanations or information have been given by the Directors, and whether they have been satisfactory; and such report shall be read, together with the report of the Directors, at the Ordinary Meeting.

143. *Accounts when conclusive.*—Every account of the Directors when audited and approved by a General Meeting shall be conclusive, except as regards any error discovered therein within three months next after approval thereof: whenever any such error shall be discovered, it shall forthwith be corrected, and thenceforth the account as corrected shall be conclusive.

## NOTICES.

144. *Service of Notices.*—Any notice may be served by the Company upon any Shareholder whose registered place of address is in Ceylon, either personally or by sending it through the post in a prepaid letter addressed to such Shareholder at the registered place of address. Notices by the Company may be authenticated by the signature (printed or written) of the Secretary or other person appointed by the Directors to do so.

145. *Address for Service.*—Every Shareholder shall give an address in Ceylon, which shall be deemed to be his place of abode, and shall be registered as such in the books of the Company. A Shareholder whose registered place of address is not in Ceylon, shall from time to time notify in writing to the Company some place in Ceylon to be called his address for service, which shall be deemed his registered place of address for the purpose of the last preceding clause hereof, and any notice may be served by the Company upon such Shareholder by sending it through the post in a prepaid letter addressed to him at such address.

146. *No registered Address.*—A general notice posted up in the office shall be deemed to be duly served on Shareholders who have no registered address at the expiration of twenty-four hours after it is so posted up.

147. *Joint-holders.*—All notices with respect to shares standing in the names of joint-holders shall be deemed sufficient notice to all the holders of such shares, if given to whichever of such persons is named first in the register.

148. *Notice by Post.*—Any notice sent by post shall be deemed to have been served at the time when the letter concerning the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put in a post office box or handed in at a Post Office.

149. *Period for Notices.*—Where a given number of days' notice, or notice extending over any other period is required to be given, the day of service shall, but the day upon which such notice will expire shall not, be included in such number of days or other period.

## DISTRIBUTION OF ASSETS ON WINDING UP.

150. *Distribution.*—If the Company shall be wound up, and there shall be any surplus assets after payment of all debts and satisfaction of all liabilities of the Company, such surplus assets shall be applied, first, in repaying to the holders of the preference shares (if any), the amounts paid up or reckoned as paid up thereon, and the balance in repaying to the holders of the ordinary shares, the amounts paid up or reckoned as paid up on such ordinary shares. If there shall remain any surplus assets after repayment of the whole of the paid-up capital, such surplus assets shall be divided among the Members in proportion to the capital paid up or reckoned as paid up on the shares which are held by them respectively at the commencement of the winding up.

151. *Payment in specie and vesting in Trustees.*—If the Company shall be wound up, the liquidator, whether voluntary or official, may, with the sanction of an extraordinary resolution, divide among the contri-

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butories in specie any part of the assets of the Company, and may, with their sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with like sanction, shall think fit.

In witness whereof the Subscribers to the Memorandum of Association have hereto set and subscribed their names this Eighteenth day of March, One thousand Eight hundred and Ninety-six.

PERCY BOIS.

W. MOIR.

E. M. SHATTOCK.

G. H. ALSTON.

G. CHAPMAN WALKER.

J. E. ALSTON.

F. J. DE SARAM.

Witness to the above signatures :

R. F. DE SARAM, Proctor, District Court, Colombo.

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**MEMORANDUM OF ASSOCIATION OF THE LADY HAVELOCK GARDENS  
COMPANY, LIMITED.**

1. The name of the Company is "The Lady Havelock Gardens Company, Limited."
2. The registered office of the Company is to be established in Colombo.
3. The objects for which the Company is established are—
  - (a) To purchase, acquire, erect, construct, alter, adopt, improve, lease, hold, hire, sell, mortgage, or let any ground, land, or buildings in Ceylon, with all approaches, privileges, or appurtenances thereto belonging, or any interest therein.
  - (b) To purchase and acquire any concessions or rights to purchase any lands or buildings, and to enter into any agreement or agreements in connection therewith.
  - (c) To establish and manage a social and (or) residential club or clubs on any portion or portions of the Company's land, and either on a proprietary or other basis; and to supply any such club or clubs with provisions, wines, beer, or spirits, store goods, tobacco and other articles generally required in the upkeep of a social and residential club and to purchase, hire, and employ horses, carriages and other means of conveyance for the use of members of such club or clubs.
  - (d) To open up any portion or portions of the Company's land in gardens or pleasure grounds, to construct or erect in or on any portion or portions of such lands a swimming bath or swimming baths, Racquet or Fives Court or Courts or other places of recreation and amusement, to cultivate, maintain, manage, and develop the same, and to work them on proprietary or other lines.
  - (e) To establish and maintain on or in the neighbourhood of the Company's land, stores, shops, and places for the sale of articles of food, drink, or refreshment, and to work the same on co-operative or other lines.
  - (f) To amalgamate, unite, or co-operate, either generally or to or for any limited extent or period, determinable continuous or otherwise, with any corporation, company, person or persons already or hereafter to be established for or engaged in objects, all of which are or shall be within the scope of, or connected with, any of the objects of this Company; and to purchase or acquire the business, or any interest in the business, or in any branch of the business carried on by any such corporation, company, person or persons, and being a business which this Company is authorized to carry on, and for any such purpose to make and enter into any contracts, agreements, or arrangements, and to undertake any liabilities.
  - (g) To raise money for all or any of the purposes of the Company in such a manner as the Company may think fit, and in particular upon mortgage of any property of the Company or by the issue of debentures or debenture stock charging all or any of the Company's property, both present and future, including uncalled capital, or upon the bonds, bills, notes, or other security of the Company.
  - (h) To take or otherwise acquire and hold or sell and dispose of stocks, shares, or debentures in any other Company having objects within the scope of, or similar or analogous to, any of the objects of this Company.
  - (i) To make, accept, endorse, and execute promissory notes, bills of exchange, and other negotiable instruments.
  - (j) To exchange, improve, manage, develop, lease, underlease, mortgage, sell, dispose of, or otherwise deal with all or any part of the property of the Company.
  - (k) To do any of the foregoing things, and generally to carry on any business, or effectuate any object of the Company.
  - (l) To do all such other things as may be necessary, incidental, conducive, or convenient to the attainment of the above objects or any of them.
4. The liability of the members is limited.
5. The capital of the Company is Rs. 750,000, divided into 7,500 shares of Rs. 100 each, with power to increase or reduce the capital. In case the Company shall increase its capital by the issue of new shares, such shares may be issued upon the terms specified in the Articles of Association for the time being of the Company.

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:—

Names and Addresses of Subscribers.	Number of Shares taken by each Subscriber.
FRED. WM. BOIS, Colombo ... ..	One
GEORGE J. JAMESON, Colombo ... ..	One
G. H. ALSTON, Colombo ... ..	One
E. MONEY, Colombo ... ..	One
V. A. JULIUS, by his Attorney F. LIESCHING ... ..	One
F. LIESCHING, Colombo ... ..	One
EDW. BOOTH, Colombo ... ..	One

Witness to the above signatures this 14th day of March, 1896:

H. CREASY, Proctor, Colombo.



## ARTICLES OF ASSOCIATION OF THE LADY HAVELOCK GARDENS COMPANY, LIMITED.

*Table C not to apply: Company to be governed by these Articles.*—The regulations contained in the Table C in the Schedule annexed to “The Joint Stock Companies’ Ordinance, 1851,” shall not apply to this Company, which shall be governed by the regulations contained in these Articles, but subject to repeal, addition, or alteration by special resolution.

*Power to alter the Regulations.*—The Company may, by special resolution, alter and make provisions instead of, or in addition to, any of the regulations of the Company, whether contained and comprised in these Articles or not.

## INTERPRETATION CLAUSE.

1. *Interpretation Clause.*—In the interpretation of these presents the following words and expressions shall have the following meanings, unless such meanings be inconsistent with, or repugnant to, the subject or context, viz. :—

The word “Company” means “The Lady Havelock Gardens Company, Limited,” incorporated or established by or under the Memorandum of Association to which these Articles are attached.

“The Ordinance” means and includes “The Joint Stock Companies’ Ordinance, 1861,” and every other Ordinance from time to time in force concerning Joint Stock Companies which may apply to the Company.

“These presents” means and includes the Memorandum of Association and the Articles of Association of the Company from time to time in force.

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

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

“Shareholder” means a Shareholder of the Company.

“Presence or Present” at a meeting means presence or present personally or by proxy.

“Directors” means the Directors for the time being of the Company or (as the case may be) the Directors assembled at a Board.

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

“Persons” means partnerships, associations, corporations, companies, unincorporated or incorporated by Ordinance and registration, as well as individuals.

“Office” means the registered office for the time being of the Company.

“Seal” means the common seal for the time being of the Company.

“Month” means a calendar month.

“Writing” means printed matter or print as well as writing.

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

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

## BUSINESS.

2. *Commencement of Business.*—The Company may proceed to carry out the objects for which it is established and to employ and apply its capital as soon after the registration of the Company as the Directors in their discretion shall think fit. And notwithstanding that the whole of the shares shall not have been subscribed or applied for or allotted, they shall do so as soon as in the judgment of the Directors a sufficient number of shares shall have been subscribed or applied for.

3. *Business to be carried on by Directors.*—The business of the Company shall be carried on by or under the management or direction of the Directors, and subject only to the control of General Meetings, in accordance with these presents.

## CAPITAL.

4. *Original Capital.*—The original capital of the Company is Rs. 750,000, divided into 7,500 shares of Rs. 100 each

5. *Increase of Capital.*—The Company in General Meeting may from time to time increase the capital of the Company by the creation of new shares of such amounts per share, and in the aggregate as such meeting shall direct. The Company shall have power to add to such new shares such an amount of premium as may be considered expedient.

6. *Treated as Original Capital.*—Except so far as otherwise provided by the conditions of issue, or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital, and shall be subject to the provisions herein contained, with reference to the payments of calls and instalments, transfer, and transmission, forfeiture, lien, surrender, and otherwise.

7. *Reduction of Capital.*—The Company may from time to time in General Meeting reduce its capital, and may consolidate or subdivide any of its shares which have not been taken or agreed to be taken by any person. Paid up capital may be returned upon the footing that the amount may be called up again or otherwise.

## SHARES.

8. *Preference and deferred Shares.*—Any shares from time to time to be issued or created may from time to time be issued with any such guarantee or any such right of preference, whether in respect of dividend or of repayment of capital or both, or any such other privilege or advantage over any shares previously issued or then about to be issued (other than shares issued with a preference), or at such a premium, or with such deferred rights as compared with any shares previously issued or then about to be issued, or subject to any such conditions or provisions, or with any such right of voting, and generally on such terms as the Company may from time to time determine in General Meeting.

9. *Resolutions affecting a particular class of Shares.*—If at any time by the issue of preference shares or otherwise the capital is divided into shares of different classes, then the holders of any class of shares may by an extraordinary resolution passed at a meeting of such holders consent on behalf of all the holders of shares of the class to the issue or creation of any shares ranking equally therewith, or having any priority thereto, or to the abandonment of any preference or priority, or of any accrued dividend or the reduction for any time or permanently of the dividends payable thereon, or to any scheme for the reduction of the Company's capital affecting the class of shares, and such resolution shall be binding upon all the holders of shares of the class, provided that this Article shall not be read as implying the necessity for such consent in any case in which but for this Article the object of the resolution could have been effected without it.

10. *Meeting affecting a particular class of Shares.*—Any meeting for the purpose of the last preceding clause shall be convened and conducted in all respects as nearly as possible in the same way as an Extraordinary General Meeting of the Company, provided that no member not being a Director shall be entitled to notice thereof, or to attend thereat, unless he be a holder of shares of the class intended to be effected by the resolution, and that no vote shall be given except in respect of a share of that class, and that at any such meeting a poll may be demanded in writing by any five members personally present and entitled to vote at the meeting.

11. *Arrangement on issue of Shares.*—The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid, and the time of payment of such calls.

12. *Holder liable to pay Instalments.*—If by the conditions of allotment of any share the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the holder of the shares.

13. *Allotment of Shares.*—The shares, except when otherwise provided, shall be allotted at the discretion of, and by the Directors who may from time to time issue any unissued shares, and may add to such shares such an amount of premium as they consider proper. Provided that such unissued shares shall first be offered by the Directors to the Shareholders in proportion to the existing shares held by them, and such offer shall be made by notice specifying the number of shares to which the Shareholder is entitled, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on the receipt of an intimation from the Shareholder to whom such notice is given that he declines to accept the shares offered, the same shall be disposed of in such manner as the Directors may determine. Provided that the Directors may, at their discretion, allot such shares or any portion of them to the vendor or vendors of any ground, land, or buildings being acquired by the Company in payment of the whole or any part of the purchase price of any such ground, land, or buildings, and that without offering the shares so allotted to the Shareholders.

14. *New Shares.*—In case of the increase of the capital of the Company by the creation of new shares, such new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting resolving on the creation thereof, or any other General Meeting of the Company shall direct, and if no direction be given as the Directors shall determine, and in particular such shares may be issued with a preferential or qualified right to the dividends and in the distribution of assets of the Company, and with a special or without any right of voting.

15. *Allotment of New Shares.*—Subject to any direction to the contrary that may be given by the meeting that sanctions the increase of capital, all new shares shall be offered to the Shareholders in proportion to the existing shares held by them, and such offer shall be made by notice specifying the number of shares to which the Shareholder is entitled, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on the receipt of an intimation from the Shareholder to whom such notice is given, that he declines to accept the shares offered, the same shall be disposed of in such manner as the Directors may determine. Provided that the Directors may, at their discretion, allot such new shares or any portion of them to the vendor or vendors of any estates or lands being acquired by the Company in payment of the whole or any part of the purchase price of any such estates or lands, and that without offering the shares so allotted to the Shareholders.

16. *Acceptance of Shares.*—Every person taking any share in the Company shall testify his acceptance thereof in writing under his hand in such form as the Company may from time to time direct.

17. *Shares held by a Firm.*—Shares may be registered in the name of a firm, and any partner of the firm or agent duly authorized to sign the name of the firm shall be entitled to vote and to give proxies.

18. *Joint Holders.*—Shares may be registered in the names of two or more persons not in partnership. Any one of the joint-holders of a share other than a firm may give effectual receipts for any dividends payable in respect of such share; but the Shareholder whose name stands first on the register, and no other, shall be entitled to the right of voting and of giving proxies, and all other advantages conferred on a sole Shareholder.

19. *Survivor of Joint-holder other than a Firm only recognized.*—In case of the death of any one or more of the joint-holders of any shares, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to, or interest in, such shares.

20. *Company not bound to recognize any Interest in Share other than that of registered holder, or of any person under clause 35.*—The Company shall not be bound to recognize (even though having notice of) any contingent, future, partial, or equitable interest, in the nature of a trust or otherwise, in any share or

any other right in respect of any share, excepting absolute right thereto in the person from time to time registered as the holder thereof, and except also the right of any person under clause 35 to become a Shareholder in respect of any share.

21. *Certificates.*—The certificates of shares shall be issued under the seal of the Company and signed by two Directors and the Secretary, or in such other manner as the Directors shall prescribe.

22. *How issued.*—Every Shareholder shall be entitled to one certificate for all the shares held by him, or to several certificates, each for a part of such shares. Every certificate shall specify the number of the shares in respect of which it is issued, the class and the amount paid up thereon or credited thereto.

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

*Fee for same.*—Such sum (if any) not exceeding fifty cents as the Directors may determine shall be paid to the Company for every certificate so issued in place of a certificate lost or destroyed.

24. *Certificate to be delivered to the first-named of Joint-holders not a Firm.*—The certificate of shares registered in the names of two or more persons not a firm shall be delivered to the person first-named on the register.

#### TRANSFER OF SHARES.

25. *Transfer of Shares.*—Subject to the restriction of these Articles any Shareholder may transfer all or any of his shares. The instrument of transfer of any share shall be in writing signed both by transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof.

26. *No Transfer to Infant or Person of Unsound Mind.*—No transfer of shares shall be made to an infant or person of unsound mind.

27. *Form of Transfer.*—Shares when transferable may be transferred by any usual common form or instrument of transfer.

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

29. *Board may decline to register Transfers.*—The Board may, at their own absolute and uncontrolled discretion, decline to register any transfer of shares by a Shareholder to any person not approved by them.

30. *Not bound to state Reason.*—In no case shall a Shareholder or proposed transferee be entitled to require the Directors to state the reason of their refusal to register, but their declinature shall be absolute.

31. *Registration of Transfer.*—Every instrument of transfer must be left at the office of the Company to be registered, accompanied by such evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer his shares, and a fee of rupees two and cents fifty (Rs. 2.50), or such other sum as the Directors shall from time to time determine, must be paid; and thereupon the Directors, subject to the powers vested in them by Articles 29, 30, and 32, shall register the transferee as a Shareholder and retain the instrument of transfer.

32. The Directors may, by such means as they shall deem expedient, authorize the registration of transferee as Shareholder without the necessity of any meeting of the Directors for that purpose.

33. *Directors not bound to inquire as to validity of Transfer.*—In no case shall the Directors be bound to inquire into the validity, legal effect, or genuineness of any instrument of transfer produced by a person claiming a transfer of any share in accordance with these Articles; and whether they abstain from so inquiring, or do so inquire and are misled, the transferor shall have no claim whatsoever upon the Company in respect of the share, except for the dividends previously declared in respect thereof, but only, if at all, upon the transferee.

34. *When Transfer Books may be closed.*—The transfer books may be closed during the fourteen days immediately preceding each Ordinary General Meeting, including the first General Meeting, also when a dividend is declared for the three next days ensuing the meeting.

#### TRANSMISSION OF SHARES.

35. *Title to Shares of Deceased Holder.*—The executors or administrators of a deceased Shareholder shall be the only persons recognized by the Company as having any title to the shares of such Shareholder.

36. *Registration of Persons entitled to Shares otherwise than by Transfer.*—Any guardian of any infant Shareholder, or any committee of a lunatic Shareholder, or any person becoming entitled to shares in consequence of the death, bankruptcy, or liquidation of any Shareholder, or the marriage of any female Shareholder, or in any other way than by transfer, shall, upon securing such evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title as the Company think sufficient, be forthwith entitled, subject to the provisions herein contained, to be registered as a Shareholder in respect of such shares, or may, subject to the regulations as to transfers hereinbefore contained, transfer the same to some other person.

37. *Failing such registration Shares may be sold by the Company.*—If any person who shall become entitled to be registered in respect of any share under clause 36 shall not, from any cause whatever, within twelve calendar months after the event of the happening of which his title shall accrue, be registered in respect of such share, or if, in the case of the death of any Shareholder no person shall, within twelve calendar months after such death, be registered as a Shareholder in respect of the shares of such deceased Shareholder, the Company may sell such shares, either by public auction or private contract, and give a receipt for the purchase money, and the purchaser shall be entitled to be registered in respect of such shares, and shall not be bound to inquire whether the events have happened which entitled the Company to sell the same, and the net proceeds of such sale, after deducting all expenses and all moneys in respect of which the Company is entitled to a lien on the shares so sold, shall be paid to the person entitled thereto.

38. *Exercise of Rights.*—No person shall exercise any rights of a Shareholder until his name shall have been entered in the register of Shareholders, and he shall have paid all calls and other moneys for the time being payable on every share in the Company held by him.

SHARES (SURRENDER AND FORFEITURE).

39. *The Directors may accept surrender of Shares.*—The Directors may accept, in the name and for the benefit of the Company, and upon such terms and conditions as may be agreed, a surrender of the shares of Shareholders who may be desirous of retiring from the Company.

40. *If Call or instalments be not paid, notice to be given to Shareholder.*—If any Shareholder fail to pay any call or instalment on or before the day appointed for the payment of the same, the Directors may, at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such Shareholder, requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

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

42. *In default of payment Shares to be forfeited.*—If the requisition of such notice as aforesaid be not complied with, every or any share or shares in respect of which such notice has been given may at any time thereafter, before payment of calls or instalment, interest, and expenses due in respect thereof, be declared forfeited by a resolution of the Board to that effect.

43. *Shareholder still liable to pay Money owing at time of forfeiture.*—Any Shareholder whose shares have been so declared forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all calls, instalments, interest, and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of forfeiture, until payment, at nine per cent. per annum, and the Directors may enforce the payment thereof if they think fit.

44. *Surrendered or forfeited Shares to be property of Company, and may be sold, &c.*—Every share surrendered or so declared forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of upon such terms and in such manner as the Board shall think fit.

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

46. *Certificate of surrender or forfeiture.*—A certificate in writing under the hands of two of the Directors and of the Secretary, that a share has been duly surrendered or forfeited, stating the time when it was surrendered or forfeited, shall be conclusive evidence of the facts therein stated as against all persons who would have been entitled to the share but for such surrender or forfeiture; and such certificate and the receipt of the Company for the price of such share shall constitute a good title to such share, and a certificate of proprietorship shall be delivered to any person who may purchase the same from the Company, and thereupon such purchaser shall be deemed the holder of such share, discharged from all calls due prior to such purchase, and he shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity in the proceedings in reference to such forfeiture or sale.

47. *Forfeiture may be remitted.*—The Directors may in their discretion remit or annul the forfeiture of any share within six months from the date thereof upon the payment of all moneys due to the Company from the late holder or holders of such share or shares, and all expenses incurred in relation to such forfeiture, together with such further sum of money by way of redemption money, for the deficit, as they shall think fit, not being less than nine per cent. on the amount of the sums wherein default in payment had been made, but no share, *bonâ fide* sold or re-allotted, or otherwise disposed of under Article 41 hereof, shall be redeemable after sale or disposal.

48. *Lien on Shares.*—The Company shall have a first charge or paramount lien upon all the shares of any holder or joint-holders for all moneys for the time being due to the Company by such holder, or by all or any of such joint-holders respectively, either in respect of such shares or of other shares held by such holder or joint-holders, or otherwise, and whether due from any such holder individually or jointly with others, including all calls, resolutions for which shall have been passed by the Directors, although the times appointed for the payment thereof shall not have arrived; and where any share is held by more persons than one, the Company shall be entitled to the said charge or lien in respect of any money due to the Company from any of such persons, and such lien shall extend to all dividends declared on such shares. And the Directors may decline to register any transfer of shares subject to such charge or lien.

49. *Lien how made available.*—Such charge or lien may be made available by a sale of all or any of the shares subject to it, provided that no such sale shall be made except under a resolution of the Directors, and until notice in writing shall have been given to the indebted Shareholder or his executors, or administrators, or the assignee or trustee in his bankruptcy requiring him or them to pay the amount for the time being due to the Company, and default shall have been made for twenty-eight days from such notice in paying the sum thereby required to be paid. Should the Shareholder over whose share the lien exists be in England or elsewhere abroad, sixty days' notice shall be allowed him.

50. *Proceeds how applied.*—The net proceeds of any such sale shall be applied in or towards satisfaction of such debts, liabilities, or engagements, and the residue (if any) paid to such Shareholder or his representatives.

51. *Certificate of Sale.*—A certificate in writing under the hands of two of the Directors and of the Secretary, that the power of sale given by clause 49 has arisen, and is exercisable by the Company under these presents, shall be conclusive evidence of the facts therein stated.

52. *Transfer on sale how executed.*—Upon any such sale, two of the Directors may execute a transfer of such share to the purchaser thereof, and such transfer, with the certificate last aforesaid, shall confer on the purchaser a complete title to such shares.

## CALLS.

53. *Directors may make Calls.*—The Directors may from time to time make such calls as they think fit upon the holders of registered shares in respect of moneys unpaid thereon, and not by the conditions of allotment made payable at fixed times; and each Shareholder shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors, provided that two months' notice at least shall be given to the Shareholders of the time and place appointed for payment of each call. If any Shareholder fail to pay any call due from him on the day appointed for payment thereof, he shall be liable to pay interest for the same at the rate of nine per cent. per annum from the day appointed for the payment thereof to the time of actual payment. Any such call may be made payable either in one sum or two or more instalments.

54. *Calls, time when made.*—A call shall be deemed to have been made at the time when the resolution authorizing the call was passed at a Board Meeting of the Directors.

55. *Extension of time for payment of Call.*—The Director shall have power in their absolute discretion to give time to any one or more Shareholder or Shareholders, exclusive of the others, for payment of any call or part thereof on such terms as the Directors may determine. But no Shareholder shall be entitled to any such extension except as a matter of grace or favour.

56. *Liability of Joint-holders.*—Joint-holders of a share should be severally as well as jointly liable for all instalments and calls in respect thereof.

57. *Payments in anticipation of Calls.*—The Directors may at their discretion receive from any Shareholder willing to advance the same, and upon such terms as they think fit, all or any part of the amount of his shares beyond the sum actually called up, and upon the moneys so paid in advance, or upon so much thereof from time to time and at any time thereafter, as exceeds the amount of the calls then made upon, and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest at such rate as the Shareholder and the Directors may agree upon, not exceeding, however, six per cent. per annum.

## BORROWING POWERS.

58. *Power to Borrow.*—The Directors may from time to time at their discretion borrow or raise from the Directors or other persons any sum or sums of money for the purposes of the Company, provided that the additional money so borrowed or raised and owing at any one time shall not, without the sanction of a General Meeting, exceed the amount of the then called up capital of the Company. With the sanction of a General Meeting the Board shall be entitled to borrow such further sum or sums and at such rate of interest as such meeting shall determine. A certificate under the hands of one Director and the Secretaries, or two Directors, to the effect that in taking any loan the Directors are not exceeding their borrowing powers, shall be sufficient and binding on the Company and all concerned.

59. *Security for repayment.*—For the purposes of securing the repayment of any such moneys so borrowed or raised, or for any other purposes, the Directors may create and issue any mortgages, debentures, debenture stock, bonds, or obligations of the Company charged upon all or any part of the undertaking, revenue, property, and rights of the Company, both present and future, including uncalled capital or unpaid calls, or by giving, accepting, or endorsing on behalf of the Company any promissory notes or bills of exchange. Any such securities may be issued either at par or at a premium or discount, and may from time to time be varied or exchanged as the Directors may think fit, and may contain any special privileges as to redemption, surrender, drawings, allotment of shares, or otherwise.

60. *Assignment of Security.*—Every debenture or other instrument issued by the Company for securing the payment of money may be so framed that the moneys thereby secured shall be assignable free from any equities between the Company and the person to whom the same may have been issued.

## GENERAL MEETINGS.

61. *First General Meeting.*—The first General Meeting shall be held at such time not being more than twelve months after the registration of the Company as the Directors may determine.

62. *Subsequent General Meetings.*—Subsequent General Meetings shall be held once in every year at such time and place as may be prescribed by the Company in General Meeting, and if no time or place is prescribed, at such time and place as may be determined by the Directors.

63. *Ordinary and Extraordinary General Meetings.*—The General Meetings mentioned in clauses 61 and 62 shall be called Ordinary General Meetings; all other meetings of the Company shall be called Extraordinary General Meetings.

64. *Extraordinary General Meetings.*—The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and shall do so upon a requisition being made in writing by one or more Shareholders holding in the aggregate not less than one-fourth of the issued capital.

65. *Requisition to state object of Meeting; if Directors fail to call Meeting, Shareholders may do so.*—Any requisition so made shall express the object of the meeting proposed to be called, shall be addressed to the Directors, shall be signed by the Shareholders making the same, and shall be sent to the registered office of the Company. Upon the receipt of such requisition the Directors shall forthwith proceed to convene an Extraordinary General Meeting to be held at such time and place as they shall determine. If they do not proceed to convene the same within seven days from the delivery of the requisition, the requisitionists may themselves convene an Extraordinary General Meeting to be held at such place and at such time as the Shareholders convening the meeting may themselves fix.

66. *Seven days' notice of Meeting to be given.*—Seven days' notice at least of every General Meeting, Ordinary or Extraordinary, and by whomsoever convened, specifying the place, day, hour of meeting, and, save as hereinafter provided, the objects and business of the meeting, shall be given to the Shareholders entitled to be present at such meeting in manner hereinafter mentioned, but an accidental omission to give such notice to any Shareholder shall not invalidate the proceedings at any General Meeting.

## PROCEEDINGS AT GENERAL MEETINGS.

67. *Business not requiring Notification.*—Every Ordinary General Meeting shall be competent without special notice having been given of the purposes for which it is convened, or of the business to be transacted thereat, to receive and discuss any report, and any accounts presented thereto by the Directors, and to pass resolutions in approval or disapproval thereof, and to declare dividends, and to elect Directors and Auditors retiring in rotation, and to fix the remuneration of the Auditors, and shall also be competent to enter upon, discuss, and transact any business whatever, of which special mention shall have been given in the notice or notices upon which the meeting was convened.

68. *Notice of other business to be given.*—With the exceptions mentioned in the foregoing Articles as to the business which may be transacted at Ordinary General Meetings without notice, no General Meeting, Ordinary or Extraordinary, shall be competent to enter upon, discuss, or transact any business which has not been specially mentioned in the notice or notices upon which it was convened.

69. *Quorum.*—No business shall be transacted at any General Meeting except the declaration of a dividend recommended by a report of the Directors or election of a Chairman, unless there shall be present in person at the commencement of the business five or more Shareholders entitled to vote.

70. *If Quorum not present.*—If at the expiration of half an hour from the time appointed for the meeting the required number of Shareholders shall not be present at the meeting, the meeting, if convened by or 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 at the same time and place. And if at such adjourned meeting a quorum is not present, those Shareholders who are present shall be a quorum, and may transact the business for which the meeting was called.

71. *Chairman of General Meeting.*—The Chairman (if any) of the Directors shall be entitled to take the chair at every General Meeting, whether Ordinary or Extraordinary, or if there be no Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or if he shall refuse to take the chair, the Shareholders shall choose another Director as Chairman, and if no Directors be present, or if all the Directors present decline to take the chair, then the Shareholders present shall choose one of their number to be Chairman.

72. *Business confined to election of Chairman while Chair vacant.*—No business shall be discussed at any General Meeting except the election of a Chairman whilst the chair is vacant.

73. *Chairman with consent may adjourn Meeting.*—The Chairman, with the consent of the meeting, may adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place, unless due notice shall be given.

74. *Minutes of General Meeting.*—Minutes of the proceedings of every General Meeting, whether Ordinary or Extraordinary, shall be entered in a book to be kept for that purpose, and shall when so entered be signed as soon as practicable by the Chairman of the same meeting or by the Chairman of the succeeding meeting, and the same when so entered and signed shall be evidence of all such proceedings and of the proper election of the Chairman.

## VOTING AT MEETINGS.

75. *Votes.*—At any meeting every resolution shall be decided by the votes of the Shareholders present in person or by proxy, and in case there shall be an equality of votes, the Chairman at such meeting shall be entitled to give a casting vote in addition to the vote to which he may be entitled as a Shareholder, and, unless a poll be immediately demanded in writing by at least three members present and entitled to vote, a declaration by the Chairman that a resolution has been carried, and an entry to that effect in the Minute Book of the Company, shall be sufficient evidence of the fact, without proof of the number of votes recorded in favour of or against such resolution.

76. *Poll.*—If a poll be duly demanded, the same shall be taken in such manner and at such time and place as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

77. *Poll how taken.*—If at any meeting a poll be demanded by notice in writing, signed by three Shareholders present at the meeting and entitled to vote, which notice shall be delivered during the meeting to the Chairman, the meeting shall, if necessary, be adjourned, and the poll shall be taken at such time and in such manner as the Chairman shall direct, and in such case every Shareholder shall have the number of votes to which he may be entitled as hereinafter provided; and in case at any such poll there shall be an equality of votes, the Chairman of the meeting at which such poll shall have been demanded shall be entitled to a casting vote in addition to any votes to which he may be entitled as a Shareholder and a proxy, and the result of such poll shall be deemed to be the resolution of the Company in such meeting.

78. *No Poll on election of Chairman or on question of Adjournment.*—No poll shall be demanded on the election of a Chairman of the meeting or on any question of adjournment.

79. *Number of votes to which Shareholder entitled.*—On a show of hands every Shareholder shall have one vote only. In case of a poll every Shareholder shall have one vote for every share up to ten, an additional vote for every ten shares up to one hundred, and an additional vote for every hundred shares beyond the first hundred.

80. *Guardian of Infant, &c., when not entitled to vote.*—The parent or guardian of an infant Shareholder, the committee or other legal guardian of any lunatic Shareholder, the husband of any female Shareholder not entitled to her shares as separate estate, and the executor or administrator of any deceased Shareholder, or any one of such persons as aforesaid if more than one, shall not be entitled to vote in the place of such infant, lunatic, female, or deceased person, unless such person shall have been registered as a Shareholder.

81. *Voting in Person or by Proxy.*—Votes may be given by person or by proxy. The instrument appointing a proxy shall be in print or in writing, and shall be under the hand of the appointer, or if such appointer is a corporation, under its common seal. Except that a corporation being a Shareholder may

appoint as proxy a member or officer of its own, no person shall be appointed a proxy who is not a member of the Company and qualified to vote. Any Shareholder residing in foreign parts may deposit in the office of the Company an instrument of proxy (properly stamped for this purpose) valid for all meetings whatever during such absence and until revocation.

82. *When Proxy to be deposited.*—The instrument appointing a proxy shall be deposited at the registered office of the Company not less than twenty-four hours before the time for holding the meeting at which the person named in such instrument proposes to vote, but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except that it may be used on the adjournment of the meeting for which it was originally intended to be given, and except that any member absent abroad may deposit an instrument of proxy in the office as provided by clause 81.

83. *Validity of vote in event of death of Principal.*—A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the appointment, unless notice in writing of the death or revocation shall have been received at the office of the Company twenty-four hours at least before the meeting.

84. *Member in Arrear not to vote.*—No Shareholder shall be entitled to be present or vote on any question, either personally or by proxy, or as proxy for another Shareholder, except only as proxy for a corporation of which he is a member or officer, at any General Meeting, or upon a poll, or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any shares of such Shareholder.

85. *Form of Proxy.*—Any instrument appointing a proxy shall be as nearly as circumstances will admit in the following form:—

*The Lady Havelock Gardens Company, Limited.*

I, \_\_\_\_\_, of \_\_\_\_\_, appoint \_\_\_\_\_, of \_\_\_\_\_ (a Shareholder in the Company), as my proxy to represent me and to vote for me and on my behalf at the Ordinary (or Extraordinary, as the case may be) General Meeting of the Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_, one thousand eight hundred and \_\_\_\_\_, and at any adjournment thereof, and at every poll which may be taken in consequence thereof.

As Witness my hand this \_\_\_\_\_ day of \_\_\_\_\_, one thousand eight hundred and \_\_\_\_\_.  
Signed in the presence of \_\_\_\_\_

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

87. *No Shareholder to be prevented from voting by being personally interested in result.*—No Shareholder shall be prevented from voting by reason of his being personally interested in the result of the voting.

88. *Shareholder should be registered for three months previous to Meeting before he can vote.*—Every Shareholder not disqualified by the preceeding Articles, who has been duly registered for three months previous to the General Meeting, shall be entitled to be present and to speak and vote at all meetings.

DIRECTORS.

89. *Number of Directors.*—Unless otherwise determined by a General Meeting, the number of Directors shall never be less than three nor more than five.

90. *Their qualification and remuneration.*—The qualification of a Director shall be his holding in his own right at least twenty-five shares. A first Director may act before acquiring his qualification, but shall in any case acquire the same within one month from his appointment. As a remuneration for their services the Directors shall be entitled to appropriate a sum not exceeding Rupees Two thousand five hundred (Rs. 2,500) annually to be divided between them in such manner as they may determine, but the Company in General Meeting may at any time alter the amount of such remuneration for the future, and such remuneration shall not be considered as including any remuneration for special or extra services hereinafter referred to, nor any extra remuneration to the Managing Directors of the Company.

91. *Appointment of First Directors, and duration of their Office.*—The first Directors shall be Sir John J. Grinlinton, George Jerment Jameson, George Hay Alston, Villiers Alexander Julius, and Edgar George Money, all of Colombo, who shall hold office till the first Annual General Meeting in the year 1897; any of the said Directors may resign his office prior to the said Annual General Meeting, and such vacancy may be filled up under clause 95 hereof.

92. *Directors may appoint Managing Director or Directors: his or their remuneration.*—One or more of the Directors may be appointed by the Directors to act as Managing Director or Managing Directors of the Company for such time and on such terms as the Directors may determine or fix by agreement with the person or persons appointed to the office, and they may from time to time revoke such appointment and appoint another or other Managing Director or Managing Directors, and the Directors may devolve on the Managing Director or Managing Directors all or any duties and powers that might be devolved on any Manager of the Company. If any Director shall be called upon to perform any extra services, the Directors may arrange with such Director for such special remuneration for such services, either by way of salary, commission, or the payment of a lump sum of money as they shall think fit.

93. *Appointment of Successors to Directors.*—The General Meeting at which Directors retire or ought to retire by rotation shall appoint successors to them, and in default thereof such successors may be appointed at a subsequent General Meeting.

94. *Board may fill up Vacancies and add to their number.*—The Board shall have power at any time and from time to time before the first Ordinary Meeting to supply any vacancies in their number arising from death, resignation, or otherwise.

95. *Duration of office of Directors appointed to Vacancy.*—Any casual vacancy occurring in the number of Directors may be filled up by the Directors, but any person so chosen shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred.

96. *Two to retire annually.*—At the Ordinary General Meeting in 1898 and at the Ordinary General Meeting in every subsequent year, two of the Directors for the time being shall retire from office as provided in clause 97.

97. *Retiring Directors how determined.*—The Directors to retire from office at the Ordinary General Meeting in 1898 shall, unless the Directors otherwise arrange among themselves, be determined by ballot; in every subsequent year the Directors to retire shall be those who have been longest in office, but a Managing Director shall not, while he holds such office, be subject to retire by rotation.

98. *Retiring Directors eligible for re-election.*—Retiring Directors shall be eligible for re-election.

99. *Decision of Question as to retirement.*—In case any question shall arise as to which of the Directors who have been the same time in office shall retire, the same shall be decided by the Directors by ballot.

100. *Number of Directors how increased or reduced.*—The Company in General Meeting may from time to time increase or reduce the number of Directors and alter their qualification, and may also determine in what rotation such increased or reduced number is to go out of office.

101. *If election not made, retiring Directors to continue until next Meeting.*—If at any meeting at which an election of a Director ought to take place, the place of the retiring Director is not filled up, the retiring Director may continue in office until the first Ordinary Meeting in the next year, and so on from meeting to meeting, until his place is filled up, unless it shall be determined at such meeting to reduce the number of Directors.

102. *Resignation of Directors.*—A Director may at any time give notice in writing of his intention to resign by delivering such notice to the Secretary, or by leaving the same at the office, or by tendering his written resignation at a meeting of the Directors, and on the acceptance of his resignation by the Directors, but not before, his office shall become vacant.

103. *When office of Director to be vacated.*—The office of Director shall be vacated (a) if he accepts or holds any office or place of profit under the Company (except as hereinafter provided); (b) if he becomes bankrupt or insolvent, or suspends payment, or files a petition for the liquidation of his affairs, or compounds with his creditors; (c) if by reason of mental or bodily infirmity he becomes incapable of acting; (d) if he ceases to hold the required number of shares to qualify him for the office; (e) if by notice in writing to the Company he resigns his office.

104. *No Director shall be disqualified from holding or shall vacate his office by reason of his being a member of any corporation, company, or firm which has entered into any contract with or done any work for the Company of which he is a Director, or by his being Managing Director, agent, secretary, or solicitor, or by his being a member of a firm who are agents, or secretaries, or solicitors of the Company; nevertheless he shall not vote in respect of any contract work or business in which he may be personally interested.*

105. *How Directors removed and Successors appointed.*—The Company may by a special resolution remove any Director before the expiration of his period of office, and may, by an ordinary resolution, appoint another person in his stead, and the Director so appointed shall hold office only during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

106. *Indemnity to Directors and others for their own acts and for the acts of others.*—Every Director or officer and his heirs, executors, and administrators shall be indemnified by the Company from all losses and expenses incurred by him respectively in or about the discharge of his respective duties, except such as happen from his respective wilful acts or defaults, and no Director or officer, nor the heirs, executors, or administrators of any Director or officer shall be liable for any other Director or officer, or for joining in any receipt or other act of conformity, or for any loss or expenses happening to the Company by the insufficiency or deficiency of title to any property acquired for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person with whom any moneys, securities, or effects shall be deposited, or for any other loss, damage, or misfortune whatsoever which shall happen in the execution of the duties of his respective office or in relation thereto, unless the same happen through his own wilful act or default.

107. *No contribution to be required from Directors beyond amount, if any, unpaid on their Shares.*—No contribution shall be required from any present or past Director or Manager exceeding the amount, if any, unpaid on the shares in respect of which he is liable as a present or past Shareholder.

#### POWERS OF DIRECTORS.

108. *Powers of Directors.*—The business of the Company shall be managed by the Directors either by themselves or through the Managing Director, or by any agent or agents, secretary or secretaries of the Company, in such manner as the Directors shall determine, and the Directors shall pay out of the funds of the Company all costs and expenses, as well preliminary as otherwise, and brokerage, paid or incurred in and about the formation and the registration of the Company, and in connection with the placing of the shares or debentures of the Company. The Directors may purchase or take on lease any land or buildings for the purpose of the Company, and may sell or let any portion or portions thereof, and may enter into any arrangement or contract for building.

109. The Directors shall carry on the business of the Company in such manner as they may think most expedient, and, in addition to the powers and authorities by any Ordinance or by these presents expressly conferred on them, they may exercise all such powers, give all such consents, make all such arrangements, appoint all such agents, managers, secretaries, treasurers, accountants, and other officers, clerks, assistants,



artizans, and workers, and generally do all such acts and things as are or shall be by any Ordinance and by these presents directed and authorized to be exercised, given, made, or done by the Company, and are not by any Ordinance or by these presents required to be exercised or done by the Company in General Meeting, subject nevertheless to the provisions of any such Ordinance, and of these presents, and to such regulations and provisions (if any) as may from time to time be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

The generality of the powers conferred by any clause in these presents on the Directors shall not be taken to be limited by any clause conferring any special or expressed power.

110. The Directors shall have power to make, and may make such regulations for the management of the business and property of the Company as they may from time to time think proper, and for that purpose may appoint such managers, agents, secretaries, officers, clerks, and servants for such period or periods, and with such remuneration and at such salaries, and upon such terms and conditions as they may consider advisable, and may pay the expenses occasioned thereby out of the funds of the Company, and may from time to time remove or suspend all or any of the managers, agents, officers, clerks, or servants for such reasons as they may think proper and advisable and without assigning any cause.

111. The Directors shall have power to open from time to time on behalf of the Company any account or accounts with such bank or banks as they may select or appoint, and also by such signatures as they may appoint to draw, accept, make, endorse, and sign cheques, bills of exchange, and promissory notes, bills of lading, receipts, contracts, and agreements and other documents on behalf and for the purposes of the Company, also proxy or proxies to any proctor or proctors.

112. The Directors shall also have power to appoint an agent or secretary, or agents or secretaries, and to enter into agreements in connection therewith, also to appoint a proctor or proctors, attorney or attorneys, and whatever other officers they may consider necessary to assist in carrying on the business of the Company, and from time to time to revoke such appointments. They shall from time to time determine as they shall see fit the duties of the agent or secretary, or agents or secretaries, and of the Managing Director and other officers, and may delegate to him or them all or any of the powers hereby made exercisable by the Directors, except those relating to shares and any others as to which special provisions inconsistent with such delegation are herein contained, and they shall have power to fix the remuneration of such agent or secretary, or agents or secretaries, and managing directors or other officers. They shall not, however, be entitled to delegate any powers of borrowing or charging the property of the Company to any agent of the Company or other person except by instrument in writing, which shall specifically state the extent to which such powers may be used by the person or persons to whom they are so delegated, and the conditions under which they may be so used, and such limitations and conditions, shall be an essential part of the powers so delegated, and compliance therewith shall be a condition precedent to the exercise of these powers. The Directors shall also have the power to bring or defend any action, suit, prosecution, or other legal proceedings in the name of the Company.

113. It shall be lawful for the Directors, if authorized so to do by the Shareholders in General Meeting, to arrange terms for the amalgamation of the Company with any other company or individual or individuals, or for the sale or disposal of the entirety of the business, estate, and effects of the Company, respectively, to any company or person upon such terms and in such manner as the Directors shall think fit, and the Directors shall have power to do all such things as may be necessary for carrying such amalgamation, sale, or other disposition into effect so far as a resolution or special resolution of the Company is not by law necessary for such purpose, and in case any terms so arranged by the Directors include or make necessary the dissolution of the Company, the Company shall thereupon be dissolved.

114. The Directors shall exercise in the name and on behalf of the Company all such powers of the Company as are not expressly required to be exercised by the Company in General Meeting.

#### PROCEEDINGS OF DIRECTORS.

115. *Meetings of Directors.*—The Directors may meet for the despatch of business, adjourn, and otherwise regulate their meetings as they may think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined, two Directors shall be a quorum.

116. *A Director may summon Meetings of Directors.*—A Director may, and the Secretary at the request of any Director shall, at any time summon a meeting of Directors.

117. *Who is to preside at Meetings of Board.*—The Board may elect a Chairman and Deputy Chairman of their meetings and determine the period for which they are to hold office, and all meetings of the Directors shall be presided over by the Chairman if one has been elected and is present, or in his absence by the Deputy Chairman, but if the offices of Chairman and Deputy Chairman be vacant, or if at any meeting of Directors the Chairman and Deputy Chairman be not present at the time appointed for holding the same, then and in that case the Directors present shall choose one of their number to be Chairman of such meeting.

118. *Questions at Meetings how decided.*—Any question which shall arise at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes the Chairman thereat shall have a casting vote in addition to his vote as a Director.

119. *Board may appoint Committees.*—The Board may delegate any of their powers to Committees consisting of such member or members of their body as the Board may think fit, and they may from time to time revoke and discharge any such Committee, either wholly or in part, and either as to persons or purposes; but every Committee so formed shall, in exercise of the powers delegated to it, conform to all such regulations as may be prescribed by the Board.

120. *Acts of Board or Committees valid notwithstanding informal appointment.*—The acts of the Board and of any Committees appointed by the Board shall, notwithstanding any vacancy in the Board or Committee, or defect in the appointment of any Director or of any member of the Committee, be as valid as if no such vacancy or defect had existed, and as if every person had been duly appointed, provided the same be done before the discovery of the defect.

121. *Regulations of Proceedings of Committees.*—The meetings and proceedings of such Committees shall be governed by the provisions herein contained for regulating the meetings and proceedings of Directors so far as the same are applicable thereto, and be not superseded by the express terms of the appointment of such committees respectively or any regulation imposed by the Board.

122. *Resolution in writing by all the Directors as valid as if passed at a Meeting of Directors.*—A resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

123. *Minutes.*—The Directors shall cause minutes to be made in books to be provided for the purpose of the following matters, *vide licet* :—

- (a) Of all appointments of officers and committees made by the Directors.
- (b) Of the names of the Directors present at each meeting of the Directors, and of the members of the committee appointed by the Board present at each meeting of the committee.
- (c) Of the proceedings of all General Meetings.
- (d) Of the proceedings of all meetings of the Directors and of the committees appointed by the Board.

124. *Signature of Minutes of Proceedings and effect thereof.*—All such minutes shall be signed by the person or one of the persons who shall have presided as Chairman at the General Meeting, the Board Meeting, or Committee Meeting at which the business minuted shall have been transacted, or by the person or one of the persons who shall preside as Chairman at the next ensuing General Meeting, or Board Meeting, or Committee Meeting, respectively, and all minutes purporting to have been signed by the Chairman of any such General Meeting, Board Meeting, or Committee Meeting, respectively, shall, for all purposes whatsoever, be *prima facie* evidence of the actual and regular passing of the resolutions, and the actual and regular transaction of occurrences of the proceedings and other matters purporting to be so recorded, and of the regularity of the meeting at which the same shall appear to have taken place, and of the Chairmanship and signature of the person appearing to have signed as Chairman.

125. *When the business of the Company shall commence.*—The Directors shall be at liberty to carry on the business of the Company as soon as they shall think fit, notwithstanding the whole capital may not have been subscribed for or taken.

#### COMMON SEAL.

126. *Common Seal.*—The Directors shall provide a common seal of the Company, and shall provide for the safe custody thereof, and it shall never be used except by the authority of the Directors previously given and in the presence of two Directors at the least, who shall sign every instrument to which the seal is affixed, and every such instrument shall be countersigned by the Secretary or some other person appointed by the Directors.

#### ACCOUNTS.

127. *Accounts.*—The Directors shall cause true accounts to be kept of the paid up capital for the time being of the Company, and of all sums of money received and expended by the Company, and of the matters in respect of which such receipts and expenditure take place, and of the assets, credits, and liabilities of the Company, and generally of all its commercial, financial, and other affairs, transactions, and engagements, and of all other matters necessary for showing the true financial state and condition of the Company, and the accounts shall be kept in such books and in such a manner at the registered office of the Company as the Directors think fit.

128. *Inspection of Accounts.*—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 of any of them shall be open to the inspection of the Shareholders, and no Shareholder shall have any right of inspecting any account, or book, or document of the Company except as conferred by the statutes, or authorized by the Directors, or by a resolution of the Company in General Meeting.

129. *Balance Sheet.*—At the Ordinary General Meeting in every year the Directors shall lay before the Company a statement of the income and expenditure and a balance sheet containing a summary of the property and liabilities of the Company made up to the end of the previous year.

130. *Report to accompany Statement.*—Every such statement shall be accompanied by a report of the Directors as to the state and condition of the Company, and as to the amount which they recommend to be paid out of the profits by way of dividend or bonus to the Shareholders, and the statement, report, and balance sheet shall be signed by the Directors.

131. *Copy of Balance Sheet to be sent to Shareholders.*—A printed copy of such balance sheet shall, at least seven days previous to such meeting, be delivered at or posted to the registered address of every Shareholder.

#### DIVIDENDS, BONUS, AND RESERVE FUND.

132. *Declaration of Dividend.*—The Company may in General Meeting from time to time declare a dividend to be paid to the Shareholders in proportion to their shares, but no dividend shall be payable except out of net profits. No larger dividend shall be declared than is recommended by the Directors. The Company in General Meeting may however declare a smaller dividend.

133. *Interim Dividend.*—The Directors may, if they think fit, determine on and declare an interim dividend to be paid to the Shareholders on account and in anticipation of the dividend on the then current year.

134. *Reserve Fund.*—Previously to the Directors recommending any dividend, they may set aside out of the profits of the Company such a sum as they think proper as reserve fund, and shall invest the same in such securities as they shall think fit, or place the same in fixed deposit in any bank or banks.

135. *Application thereof.*—The Directors may from time to time apply such portion as they think fit of the reserve fund to meet contingencies, or for equalizing dividends, or for working the business of the Company, or for repairing, or maintaining, or extending the buildings and premises, or for the repair, or renewal, or extension of the property or plant connected with the business of the Company or any part thereof, or for any other purpose of the Company which they may from time to time deem expedient.

136. *Unpaid Interest or Dividend not to bear Interest.*—No unpaid interest or dividend shall ever bear interest against the Company.

137. *No Shareholder to receive Dividend while Debt due to Company.*—No Shareholder shall be entitled to receive payment of any dividend in respect of his share or shares whilst any moneys may be due or owing from him (whether alone or jointly with any other person) to the Company in respect of such share or shares or otherwise howsoever.

138. *Directors may deduct Debt from the Dividends.*—The Directors may deduct from the dividend payable to any Shareholder all sums of money due from him (whether alone or jointly with any other person) to the Company, and notwithstanding such sums shall not be payable until after the date when such dividend is payable.

139. *Notice of Dividend; Forfeiture of Unclaimed Dividend.*—Notice of all interest or dividends to become payable shall be given to each Shareholder entitled thereto; and all interests or dividends unclaimed by any Shareholder for three years, after notice thereof is given, may be forfeited by a resolution of the Board of Directors for the benefit of the Company, and if the Directors think fit may be applied in augmentation of the reserve fund.

140. *Loss of Dividend Warrant.*—The Company shall not be responsible for the loss of any cheque, dividend warrant, or Post Office order which shall be sent by post in respect of dividends.

141. *Shares held by a Firm.*—Every dividend or bonus payable in respect of any share held by a firm may be paid to, and an effectual receipt given by, any partner of such firm or agent duly authorized to sign the name of the firm.

142. *Joint-holders other than a Firm.*—Every dividend or bonus payable in respect of any share held by several persons jointly other than a firm may be paid to, and an effectual receipt given by, any one of such persons.

#### AUDIT.

143. *Accounts to be audited.*—The accounts of the Company shall once at least in every year be examined and the correctness of each balance sheet ascertained by one or more auditor or auditors.

144. *Auditors.*—The number of auditors, the person or persons to fill the office of auditor or auditors, and the remuneration of the auditor or auditors and his or their term of office may from time to time be determined and varied by the Company in General Meeting.

145. *Appointment of First Auditors.*—Subject to the last Article, the Directors may appoint the first auditor or auditors to audit the accounts of the Company until the first Ordinary General Meeting, when he or they shall retire, but shall be eligible for re-election, and the Directors may fix his or their remuneration.

146. *Retirement of Auditors.*—The auditor or auditors for the time being shall retire at the first Ordinary General Meeting in every year, but shall be eligible for re-election. If on the retirement of an auditor as aforesaid no person shall be appointed his successor by the Ordinary General Meeting at which his retirement shall take place, he shall be considered as re-elected for another year, although no resolution to that effect shall be passed or proposed. If any casual vacancy shall occur in the office of auditor the Directors shall forthwith fill up the same.

147. *Duty of Auditors.*—Every Auditor shall be supplied with a copy of the balance sheet intended to be laid before the next Ordinary General Meeting, and it shall be his duty to examine the same with accounts and vouchers relating thereto, and to report thereon to the meeting, generally or specially, as he may think fit.

148. *Accounts to be open to Auditors.*—All accounts, books, and documents whatsoever of the Company shall at all times be open to the auditors for the purpose of audit.

#### NOTICES.

149. *Notices how authenticated.*—Notices from the Company may be authenticated by the signature (printed or written) of the agent or secretary, agents or secretaries, or other persons appointed by the Board to do so.

150. *Shareholder to register Address.*—Every shareholder shall give an address in Ceylon which shall be deemed to be his place of abode, and shall be registered as such in the books of the Company.

151. *Service of Notices.*—A notice may be served by the Company upon any shareholder, either personally or by sending through the post in a prepaid letter addressed to such Shareholder at his registered address or place of abode; and any notice so served shall be deemed to be well served for all purposes, notwithstanding that the Shareholder to whom such notice is addressed be dead, unless and until his executors or administrators shall have given to the Directors, or to the agent or secretary, or agents or secretaries of the Company, their own or some other address.

152. *Notice to Joint-holders of Shares other than a Firm.*—All notices directed to be given to a Shareholder shall, with respect to any share to which persons are jointly entitled other than a firm, be given to whichever of such person is named first in the register of Shareholders, and notice so given shall be sufficient notice to all the holders of such shares.

153. *Date and Proof of Service.*—Any notice if served by post shall be deemed to have been served on the day on which the letter containing the same would in ordinary course of post have been delivered at its address; and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into a post office or post box; and the entry in the Company's books of the leaving or sending by post of any notice at or to such address shall be sufficient evidence thereof, and no further evidence shall be necessary.

154. *Non-resident Shareholders must register Addresses in Ceylon.*—Every Shareholder residing out of Ceylon shall name and register in the books of the Company an address within Ceylon at which all notices shall be served upon him, and all notices served at such address shall be deemed to be well served. If he shall not have named and registered such an address he shall not be entitled to any notices.

155. *Period for Notices.*—Where a given number of days notice, or a notice extending over any other period is required to be given; the day of service shall, but the day upon which such notice will expire shall not, be included in such number of days or other period.

#### ARBITRATION.

156. *Directors may refer disputes to Arbitration.*—Whenever any question or other matter whatsoever arises in dispute between the Company and any other Company or person, the same may be referred by the Directors to arbitration in such manner and upon such terms and conditions as they may think fit.

#### EVIDENCE.

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

#### DISTRIBUTION OF ASSETS ON WINDING UP.

158. *Distribution.*—If the Company shall be wound up, and there shall be any surplus assets after payment of all debts and satisfaction of all liabilities of the Company, such surplus assets shall be applied, first, in repaying to the holders of the preference shares (if any) the amounts paid up or reckoned as paid up thereon, and the balance in repaying to the holders of the ordinary shares the amounts paid up or reckoned as paid up on such ordinary shares. If there shall remain any surplus assets after repayment of the whole of the paid up capital, such surplus assets shall be divided among the Shareholders in proportion to the capital paid up or reckoned as paid up on the shares which are held by them respectively at the commencement of the winding up.

159. *Purchase of Company's Property by Shareholders.*—Any Shareholder, whether Director or not, or whether alone or jointly with any other Shareholder or Director, and any person not a Shareholder, may become the purchaser of the property of the Company or any part thereof in the event of a winding up or a dissolution, or at any other time when a sale of the Company's property or effects or any part thereof shall be made by the Directors under the powers hereby or under the Ordinance conferred upon them.

160. *Payment in Specie and vesting in Trustees.*—If the Company shall be wound up, the liquidator, whether voluntary or official, may, with the sanction of an extraordinary resolution, divide among the contributories in specie any part of the assets of the Company, and may, with the sanction of the Company in General Meeting, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction shall think fit.

In witness whereof the Subscribers to the Memorandum of Association have hereto set and subscribed their names at Colombo this Fourteenth day of March, 1896.

FRED. WM. BOIS.

GEORGE J. JAMESON.

G. H. ALSTON.

E. MONEY.

V. A. JULIUS, by his attorney F. LIESCHING.

F. LIESCHING.

EDW. BOOTH.

Witness to the above signatures:

H. CREASY, Proctor, Colombo.

## MEMORANDUM OF ASSOCIATION OF THE KALUTARA COMPANY, LIMITED.

1. The name of the Company is "The Kalutara Company, Limited."
2. The registered office of the Company is to be established in Colombo.
3. The objects for which the Company is established are—
  - (a) To purchase, or lease, or otherwise acquire any estate or estates, land or lands, or any undivided share or shares in any such, any machinery, implements, tools, live and dead stock, stores, effects, and other property, real or personal, movable or immovable, of any kind whatsoever in the Island of Ceylon.
  - (b) To improve, plant, clear, cultivate, and develop any estate or estates or lands, or share or shares in any such, that may be purchased, leased, or otherwise acquired as tea estates, or with any other products, or in any other ways.
  - (c) To purchase or lease any lands either adjacent to any estate or estates or lands that may be purchased, leased, or acquired, or elsewhere for the purposes of water supply, and (or) providing fuel or timber for the business of the Company, or for any other purpose necessary for the working of the Company.
  - (d) To purchase tea leaf and (or) other raw products for manufacture, manipulation, and (or) sale.
  - (e) To manufacture tea leaf and (or) other products.
  - (f) To carry on the business of planters of tea and other products in all its branches.
  - (g) To work, sell, lease, license, let on hire, or otherwise dispose of any mines or quarries on or under any property of the Company, and to find, win, get, work, turn to account, sell, and otherwise deal with any ores, minerals, oils, precious and other stones or other deposits, substances, or products of such property of any kind.
  - (h) To borrow or receive money in loan for the above purposes or any of them, and for repayment of all or any of the moneys so borrowed, and the securing thereof, to issue and grant mortgages, debenture bonds, bills, bonds for cash credit, interest warrants, letters of credit, trust deeds or other deeds of security, promissory notes, bills of lading, or other negotiable instruments over all or any part of the Company's property or assets, movable or immovable, real or personal, or on the subscribed capital of the Company called or uncalled.
  - (i) To sell, lease, mortgage, exchange, or otherwise deal with all or any of the estates, lands, property, and effects, immovable and movable, of the Company or any part or parts thereof respectively.
  - (j) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

## 4. The liability of the Shareholders is limited.

5. The nominal capital of the Company is seven hundred and fifty thousand rupees (Rs. 750,000), divided into one thousand five hundred shares of Rs. 500 each, of which five hundred shares may be issued with any guarantee or right of preference as may be determined or provided by the Articles of Association of the Company. In case the Company shall increase its capital by the issue of new shares, such shares may be issued upon the terms specified in the Articles of Association of the Company.

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 :—

Names and Addresses of Subscribers.	Number of Shares taken by each Subscriber.
C. E. H. SYMONS, Colombo ... ..	One
T. J. ANDERSON, Colombo ... ..	One
G. H. ALSTON, Colombo ... ..	One
C. J. DONALD, Colombo ... ..	One
JAS. A. HENDERSON, Colombo ... ..	One
A. J. SAWER, Colombo ... ..	One
G. W. CARLYON, Colombo ... ..	One

Witness to the above signatures :

F. J. DE SARAM, Proctor, Supreme Court, Colombo.

Dated this Twenty-sixth day of March, 1896.

## ARTICLES OF ASSOCIATION OF THE KALUTARA COMPANY, LIMITED.

1. THE regulations contained in Table C in the Schedule annexed to "The Joint Stock Companies' Ordinance, 1861," shall not apply to this Company, which shall be governed by the regulations contained in these Articles, but subject to repeal, addition, or alteration by special resolution.

2. The Company may by special resolution alter or make provisions instead of or in addition to any of the regulations of the Company whether contained or comprised in these Articles or not.

## SHARES.

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

4. The Directors may from time to time make such calls upon the Shareholders in respect of all moneys unpaid on their shares as the Directors may think fit; and they may also make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls; and each Shareholder shall be liable to pay the amount of calls so made to the persons and at the time and place appointed by the Directors. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.

5. If before or on the day appointed for payment any Shareholder does not pay the amount for which he is liable, then such Shareholder shall be liable to pay interest on the same at the rate of nine per cent. per annum from the day appointed for the payment thereof to the time of the actual payment.

6. The shares, except where otherwise provided, shall be allotted at the discretion of and by the Directors, who may from time to time issue any unissued shares, either as ordinary shares or with such preference or priority (as regards dividends or in the distribution of assets) as they may deem expedient; provided that no preference or priority shall be attached to any shares without the consent of the Company in General Meeting, and provided that the number of such preference shares shall not exceed five hundred; and the Directors may add to such unissued shares such an amount of premium as they may consider proper. Provided that such unissued shares shall first be offered by the Directors to the registered Shareholders for the time being of the Company as nearly as possible in proportion to the shares already held by them, and such shares as shall not be accepted by the Shareholder or Shareholders to whom the shares shall have been offered, within the time specified in that behalf by the Directors, may be disposed of by the Directors in such manner as they think most beneficial to the Company. Provided also that the Directors may at their discretion allot any unissued shares in payment for any estates or lands acquired by the Company, without first offering such shares to the registered Shareholders for the time being of the Company.

The Company, by special resolution in General Meeting, may at any time reduce its capital and may convert any shares into stock, or consolidate and divide the capital or any part thereof into shares of larger or less amount than the original shares.

7. If several persons are joint-holders of any share, any one of such persons may give effectual receipt for the dividend payable in respect of such share.

8. Every Shareholder shall be entitled to a certificate under the common seal of the Company, specifying the share or shares held by him and the amount paid thereon.

9. If such certificate is worn out or lost, it may be renewed on payment of fifty cents per share.

## TRANSFER OF SHARES.

10. The Company may decline to register any transfer of shares made by a Shareholder who is indebted to them.

11. The fee payable to the Company for the registration of a transfer shall be five rupees.

12. The transfer books shall be closed during the fourteen days immediately preceding the Ordinary General Meeting in each year.

13. Subject to the restrictions in these Articles, any Shareholder may transfer all or any of his shares by instrument in writing. The Directors may decline to register any transfer whatever, and shall not be required to assign any reason for so declining.

## TRANSMISSION OF SHARES.

14. The executors, or administrators, or heirs of a deceased Shareholder shall be the only persons recognized by the Company as having any title to his share.

15. Any person becoming entitled to a share in consequence of the death, bankruptcy, or insolvency of any Shareholder, or in consequence of the marriage of any female Shareholder, or in any way other than by transfer, may be registered as a Shareholder, upon such evidence being produced as may from time to time be required by the Directors.

16. Any person who has become entitled to a share in any way other than by transfer may, instead of being registered himself, elect to have some person to be named by him registered as a holder of such share.

17. The person so becoming entitled shall testify such election by executing to his nominee a transfer of such share.

18. The instrument of transfer shall be presented to the Company, accompanied with such evidence as the Directors may require, to prove the title of the transferor, and thereupon the Company shall register the transferee as a Shareholder.

Provided always that the Directors shall have the right at all times to decline to register such person as aforesaid, and shall not be required to assign any reason for so declining.

## FORFEITURE OF SHARES.

19. If any Shareholder fails to pay any allotment money or call on the appointed day, the Company may at any time thereafter, during such time as the call remains unpaid, serve a notice on him requiring him to pay such call, together with any interest that may have accrued by reason of such non-payment.

20. The notice shall name a further day and a place or places, being a place or places at which calls of the Company are usually made payable, on and at which such call is to be paid. It shall also state that in the event of non-payment at the time and place appointed, the shares in respect of which such call was made will be liable to be forfeited.

21. If the requisitions of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may be forfeited by a resolution of the Directors to that effect.

22. Any share so forfeited shall be deemed to be the property of the Company, and may be disposed of in such manner as the Directors think fit.

23. Any Shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay the Company all calls owing upon such shares at the time of the forfeiture.

## INCREASE OF CAPITAL.

24. The Directors may, with the sanction of a special resolution of the Company in General Meeting, increase its capital by the creation of new shares (either ordinary or preferential) of such amounts per share and in the aggregate as such resolution shall direct. All new shares shall be offered by the Directors to the registered Shareholders for the time being of the Company as nearly as possible in proportion to the existing shares held by them, and such shares as shall not be accepted by the Shareholder or Shareholders to whom the same shall have been offered within the time specified in that behalf by the Directors may be disposed of by the Directors in such manner as they think most beneficial to the Company. Provided that the Directors may at their discretion allot any such new shares in payment for any estates or lands acquired by the Company without first offering such shares to the registered Shareholders for the time being of the Company.

The Directors shall have power to add to such new shares such an amount of premium as they may consider proper.

25. Any capital raised by the creation of new shares shall be considered as part of the original capital, and shall be subject to the same provisions in all respects, whether with reference to the payment of allotment money, calls, or the forfeiture of shares or non-payment of calls or otherwise, as if it had been part of the original capital.

## BORROWING.

26. The Directors shall have power to borrow money for the purposes of the Company, and for this purpose to grant bonds, promissory notes, bills, debentures, interest warrants, bonds for cash credit, trust deeds, or other documents, to issue letters of credit, and to grant mortgages, or other deed or deeds of security over all or any of the Company's lands, property, estate, and assets, but so that the sum so to be borrowed shall not at any one time exceed the sum of one hundred thousand rupees (Rs. 100,000). Provided that nothing herein contained shall be held to prevent the Directors procuring from time to time, in the usual course of business such temporary advances on the produce of the estates of the Company as they may find it to be necessary or expedient for the purpose of defraying the expenses of working or developing the said estates.

A declaration under the Company's seal contained in or endorsed upon any of the documents mentioned in this Article, and subscribed by two or more of the Directors or by one Director and the Secretary or Secretaries, to the effect that the Directors have power to borrow the amount which such document may represent, shall be conclusive evidence thereof in all questions between the Company and its creditors; and no such document containing such declaration shall, as regards the creditor, be void on the ground of its being granted in excess of the aforesaid borrowing power, unless it be proved that such creditor was aware that it was so granted.

## GENERAL MEETINGS.

27. The first General Meeting shall be held at such time, not being more than twelve months after the incorporation of the Company, and at such place as the Directors may determine.

28. Subsequent General Meetings may be held at such time and place as may be prescribed by the Company in General Meeting, and if not so prescribed, then at such place and at such time as soon after the first day of January in each year as the Directors shall determine.

29. The above-named General Meetings shall be called Ordinary Meetings; all other General Meetings shall be called Extraordinary.

30. The Directors may, whenever they think fit—and they shall, upon a requisition made in writing by not less than one-fifth in number of the Shareholders of the Company for the time being, or by any Shareholder or Shareholders holding not less than one-fifth part of the shares of the Company for the time being subscribed for—convene an Extraordinary General Meeting.

31. Any requisition so made by the Shareholder or Shareholders shall express the object of the meeting proposed to be called, and shall be left at the registered office of the Company.

32. Upon the receipt of such requisition the Directors shall forthwith proceed to convene an Extraordinary General Meeting, to be held at such time and place as they shall think fit, not being more than twenty-one days after the leaving of the requisition; and if they do not proceed to convene the said meeting within twenty-one days after the leaving of the requisition, the requisitioner or requisitionists or any other Shareholders amounting to the required number may, himself or themselves, convene an Extraordinary General Meeting, to be held at such time or place as he or they shall think fit.

33. Fourteen days' notice at least, specifying the place and the hour of meeting, and the purpose for which any meeting is to be held, shall be given by advertisement in the *Ceylon Government Gazette*, or in such other manner, if any, as may be prescribed by the Company.

34. Any Shareholder may, on giving not less than ten days' previous notice of any resolution, submit the same to a meeting.

35. Such notice shall be given by leaving a copy of the resolution at the registered office of the Company.

36. In order to constitute a meeting, whether Ordinary or Extraordinary, there shall be present, either personally or by proxy, three or more Shareholders holding in the aggregate not less than one-twentieth of the capital for the time being subscribed for.

37. If within one hour from the time appointed for the meeting the required number of Shareholders is not present, the meeting, if convened upon the requisition of a Shareholder or Shareholders, shall be dissolved. In any other case it shall stand adjourned to the following day at the same time and place; and if at such adjourned meeting the required number of Shareholders is not present, it shall be adjourned *sine die*.

38. The Chairman (if any) of the Board of Directors shall preside as Chairman at every meeting of the Company.

39. If there be no such Chairman, or if at any meeting he is not present at the time of holding the same, the Shareholders present shall appoint any one of the Directors who may be present to be Chairman, and in the event of no Director being present, the Shareholders shall then choose some one of their number to be Chairman of such meeting.

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

41. At any General Meeting, unless a poll is demanded by at least two Shareholders, a declaration by the Chairman that a resolution has been carried, and an entry to that effect in the book of proceedings of the Company, shall be sufficient evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

42. If a poll is demanded in manner aforesaid, the same shall be taken in such manner as the Chairman directs; and the result of such poll shall be deemed to be the resolution of the Company in General Meeting.

43. In the event of a resolution being brought before a General Meeting involving the sale of the Company's estates or lands, or any of them, or any portion thereof respectively, or the winding up of the Company, a majority of three-fourths of the Shareholders present and (or) represented by proxy shall be necessary to carry such resolution.

#### VOTES OF SHAREHOLDERS.

44. Every Shareholder shall (except as provided for in the Article immediately following) have one vote for every one share held by him up to three. He shall have an additional vote for every two shares beyond the first three up to seven, and an additional vote for every three shares held by him beyond the first seven up to ten, and an additional vote for every five shares beyond the first ten up to fifty, and an additional vote for every fifty shares beyond the first fifty.

45. When voting on a resolution involving the sale of the Company's estates or lands, or any of them, or any portion thereof respectively, or the winding up of the Company, every Shareholder shall have one vote for every share held by him.

46. If any Shareholder is a lunatic or idiot or prodigal, he may vote by his curator; and if any Shareholder is a minor, he may vote by his guardian, or any one of his guardians if more than one.

47. If one or more persons are jointly entitled to a share or shares, the person whose name stands first in the register of Shareholders as one of the holders of such share or shares, and no other, shall be entitled to vote in respect of the same.

48. No Shareholder shall be entitled to vote at any meeting unless all calls due from him have been paid, and no Shareholder other than the trustee or assignee of a bankrupt or representative of a deceased Shareholder, or person acquiring by marriage, shall be entitled to vote at any meeting held after the expiration of three months from the registration of the Company in respect of any share which he has acquired by transfer, unless he has been possessed of the share in respect of which he claims to vote at least three months previously to the time of holding the meeting at which he proposes to vote.

49. Votes may be given either personally or by proxy. A proxy shall be appointed in writing under the hand of the appointor, or, if such appointor is a corporation, under their common seal.

50. No person shall be appointed a proxy who is not a Shareholder; and the instrument or mandate appointing him shall be deposited at the registered office of the Company not less than twenty-four hours before the time of holding the meeting at which he proposes to vote; but no instrument or mandate appointing a proxy shall be valid after the expiration of three months from the date of its execution.

#### DIRECTORS.

51. The qualification of a Director shall be holding not less than ten fully paid up shares of the Company.

52. The number of Directors shall not be less than three nor more than five; but this clause shall be construed as being directory only, and the continuing Directors may act notwithstanding any number of vacancies.

53. The first Directors shall be Alexander Thomson, Christopher Anderson Leechman, and George Hay Alston, all of Colombo, with power to appoint an additional Director, and they shall hold office, except in the event of their becoming respectively disqualified, until the first Ordinary General Meeting of the Company to be held in the year 1897.

54. As a remuneration for their services the Directors shall be entitled to appropriate annually a sum not exceeding Rs. 1,000 each; but the Company in General Meeting may at any time alter the amount of such remuneration for the future.

55. One of the Directors may be appointed by the Board to act as Managing Director and (or) Visiting Agent of the Company, for such time and on such terms as the Board may determine or fix by agreement with the person appointed to the office.



## POWERS OF DIRECTORS.

56. The Directors shall have power to purchase and (or) take on lease any estates, lands, or property, or undivided share or shares of any estates, lands, or property, for and on behalf of the Company at or for such price or prices, and (or) for such rent or rents, and under such title and upon such terms and conditions as the Directors shall think fit and proper. The Directors shall also have power at any time, or from time to time, to lease any part or parts, not exceeding fifty acres in the whole or in the aggregate, of the estates, lands, or property of the Company, for such period or periods, at such rent or rents, and under or upon such terms and conditions as the Directors shall think fit or proper.

57. The business of the Company shall be managed by the Directors, either by themselves or with the assistance of a secretary or secretaries, agent or agents, to be appointed by them for such period and on such terms as the Directors shall think fit; and the Directors shall pay out of the funds of the Company all costs and expenses, as well preliminary as otherwise, paid or incurred in and about the formation and registration of the Company, the purchase of the said estates and the cultivation thereof, and otherwise in or about the working and business of the Company. And the Directors may proceed to carry on the business of the Company and to employ and apply its capital as soon after the registration of the Company as they in their discretion shall think fit, and notwithstanding that the whole of the shares shall not have been subscribed or applied for or allotted, and they shall do so as soon as in the judgment of the Directors a sufficient number of shares has been subscribed to render it desirable for them to do so.

58. The Directors shall have power to make, and may make, rules or regulations for the management of the property of the Company; and for that purpose may appoint managers, agents, superintendents, officers, clerks, and servants, with such remuneration and at such salaries as they may consider advisable, and may pay the expenses occasioned thereby out of the funds of the Company, and may from time to time remove or suspend all or any of the managers, agents, superintendents, officers, clerks, or servants, for such reasons as they may think proper and advisable, and without assigning any cause.

59. The Directors also shall have power to open from time to time, on behalf of the Company, any account or accounts with such bank or banks as they may select or appoint; and also by such signatures as they shall appoint, to draw, accept, make, endorse, sign, and enter into cheques, bills of exchange, and promissory notes, bonds, mortgages, proxies to any proctor or proctors, contracts or agreements on behalf and for the purposes of the Company. They shall also have power to temporarily invest funds of the Company upon Ceylon or Indian Government securities, or by way of loan or loans to other public company or public companies registered in Ceylon, as they may think fit.

60. The seal of the Company shall not be affixed to any instrument except in the presence of two or more of the Directors, or of one Director and the Secretary or Secretaries, who shall attest the sealing thereof, such attestation on the part of the Secretaries, in the event of a firm being the Secretaries, being signified by a partner of the said firm signing for and on behalf of the said firm as such Secretaries.

61. The Directors shall exercise, in the name and on behalf of the Company, all such powers of the Company as are not expressly required to be exercised by the Company in General Meeting.

## DISQUALIFICATION OF DIRECTORS.

62. The office of a Director shall be vacated—

- (1) If he ceases to hold the due qualification in shares;
- (2) If he becomes of unsound mind or bankrupt, or take proceedings under the Bankruptcy Law for the liquidation of his affairs by arrangement of, or composition with, his creditors.
- (3) If by notice in writing to the Company he resigns his office.

63. No contract, arrangement, or transaction entered into by or on behalf of the Company with any Director, or with any company or co-partnership of which a Director is a partner, or of which he is a Director, Managing Director, or Manager, shall be void or voidable; nor shall such Director be liable to account to the Company for any profit realized by such contract, arrangement, or transaction, by reason only of such Director holding that office, or of the fiduciary relation thereto established, provided that the fact of his interest or connection therewith be fully disclosed to the Company or its Directors; but no Director shall vote in respect of any contract, arrangement, or transaction in which he is directly or indirectly interested.

## ROTATION OF DIRECTORS.

64. At the first Ordinary Meeting of the Company to be held in the year 1897 all the Directors shall retire; and at the first Ordinary Meeting in every subsequent year one-third of the Directors for the time being, or if their number is not a multiple of three, then the number next below one-third, shall retire from office.

65. The Directors to retire in any year shall always be those who have been longest in office, and in case of Directors equal in length of office, shall, unless such Directors agree among themselves, be determined by ballot.

66. A retiring Director, if qualified, shall be re-eligible. The Company at the Ordinary General Meeting shall fill up the offices vacated by the retiring Directors by electing a like number of persons.

67. If at any Meeting at which an election of Directors ought to take place no such election is made, the meeting shall stand adjourned till the next day, at the same time and place; and if at such adjourned meeting no election takes place, the former Directors shall continue to act until new Directors are appointed at the first Ordinary Meeting of the following year.

68. The Company may from time to time, by special resolution in General Meeting, increase or reduce the number of Directors, and may also determine in what rotation they are to go out of office.

69. Any casual vacancy in the Board of Directors may be filled up by the Directors, but any person so chosen shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred.

## PROCEEDINGS OF DIRECTORS.

70. The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman, in addition to his original vote, shall have a casting vote. A Director may at any time summon a meeting of the Directors.

71. The Directors may elect a Chairman of their meetings, 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 at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting.

72. All acts done by any meeting of the Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid on that day, 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.

73. The Directors shall cause minutes to be made in a book or books provided for and used solely for that purpose—

- (1) Of all appointments of officers made by the Directors;
- (2) Of the names of Directors present at each meeting of Directors;
- (3) Of all orders made by the Directors; and
- (4) Of all resolutions and proceedings of meetings of the Company and of the Directors.

74. And any such minutes as aforesaid, if signed by any person purporting to be the Chairman of any meeting of Directors, shall be receivable in evidence without any further proof.

75. The Company in General Meeting may, by a special resolution, remove any Director, before the expiration of his period of office, and appoint another qualified person in his stead. The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

## DIVIDENDS.

76. The Directors may, with the sanction of the Company in General Meeting, declare a dividend to be paid to the Shareholders in proportion to their shares, and they may, if they think fit, without reference to the Company in General Meeting, determine on and declare an interim dividend or dividends to be paid to the Shareholders on account and in anticipation of the dividend of the year.

77. No dividends shall be payable except out of the profits arising from the business of the Company and with the sanction of the Directors.

78. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sum as they think proper as a reserve fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining the works connected with the business of the Company or any part thereof; and the Directors may invest the sum so set apart as a reserve fund upon such securities as they, with the sanction of the Company, may select.

79. The Directors may deduct from the dividends payable to any Shareholder all such sums of money as may be due from him to the Company on account of calls or otherwise.

80. Notice of any dividend that may have been declared shall be given to each Shareholder, or sent by post or otherwise to his registered place of abode; and all dividends unclaimed for three years after having been declared may be forfeited by the Directors for the benefit of the Company.

81. No dividend shall bear interest as against the Company.

## ACCOUNTS.

82. Once at the least in every year the Directors shall lay before the Company in General Meeting a statement of the income and expenditure for the past year, made up to a date not more than three months before such meeting.

83. The statement so made shall show, arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries, and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account, so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such items shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

84. A balance sheet shall be made out in every year and laid before the General Meeting of the Company, and such balance sheet shall contain a summary of the property and liabilities of the Company, arranged under the heads appearing in the form annexed to the table referred to in Schedule C to "The Joint Stock Companies' Ordinance, 1861," or as near thereto as circumstances admit.

85. A written or printed copy of such balance sheet shall, seven days previously to such meeting, be delivered at or sent by post to the registered address of every Shareholder.

## AUDIT.

86. The accounts of the Company shall be examined, and the correctness of the balance sheet ascertained, by one or more Auditors to be elected by the Company in General Meeting.

87. If not more than one Auditor is appointed, all the provisions herein contained relating to Auditors shall apply to him.

88. The Auditors need not be Shareholders in the Company. No person is eligible as an Auditor who is interested otherwise than as a Shareholder in any transaction of the Company; and no Director or other officer of the Company is eligible during his continuance in office.

89. The first Auditor or Auditors of the Company shall be appointed by the Directors, and shall hold office until the first General Meeting; and afterwards the Auditor or Auditors shall be from time to time appointed by the Company in General Meeting.

90. The remuneration of the Auditor or Auditors shall be fixed by the Company at the time of their election, save that in the case of the first Auditor or Auditors it shall be fixed by the Directors.

91. Any Auditor shall be re-eligible on his quitting office.

92. If any casual vacancy occurs in the office of Auditor, the Directors may appoint another Auditor, who shall hold the office until the next Ordinary General Meeting.

93. If no election of Auditor is made in manner aforesaid, the Directors may appoint an Auditor or Auditors for the year then current, and fix the remuneration to be paid to him or them by the Company for his or their services.

94. Every Auditor shall be supplied with a copy of the balance sheet, and it shall be his duty to examine the same with the accounts and vouchers relating thereto.

95. Every Auditor shall have a list delivered to him of all books kept by the Company, and he shall at all reasonable times have access to the books and accounts of the Company. He may, at the expense of the Company, employ accountants or other persons to assist him in investigating such accounts, and he may, in relation to such accounts, examine the Directors or any other officer of the Company.

96. The Auditors shall make a report to the Shareholders upon the balance sheet and accounts, and in every such report they shall state whether, in their opinion, the balance sheet is a full and fair balance sheet containing the particulars required by these regulations, and properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, and in case they have called for explanations or information from the Directors, whether such explanations or information have been given by the Directors, and whether they have been satisfactory; and such report shall be read together with the report of the Directors at the Ordinary Meeting.

#### NOTICES.

97. Notices by the Company may be authenticated by the signature (printed or written) of the Secretary or Secretaries or other person appointed by the Directors to do so.

98. Every Shareholder shall give an address in Ceylon which shall be deemed to be his place of abode, and shall be registered as such in the books of the Company.

99. Notices requiring to be served by the Company upon the Shareholders may be served, either personally or by leaving the same or sending them through the post in a letter addressed to the Shareholders at their registered places of abode, and any notice so served shall be deemed to be well served for all purposes, notwithstanding that the Shareholder to whom such notice is addressed be dead, unless and until his executors or administrators shall have given notice to the Managing Director or Secretary or Secretaries of the Company of some address in Ceylon.

100. All notices directed to be given to the Shareholders shall, with respect to any share to which persons are jointly entitled, be given to whichever of the said persons is named first in the register of Shareholders; and notice so given shall be sufficient notice to all the holders of such share.

101. All notices required to be given by advertisement shall be published in the *Ceylon Government Gazette*.

102. Every Shareholder residing out of Ceylon shall name an address in Ceylon at which all notices shall be served upon him, and all notices served at such address shall be deemed to be well served. If he shall not have named such an address he shall not be entitled to any notices.

In witness whereof the subscribers to the Memorandum of Association have hereto set and subscribed their names at Colombo, this Twenty-sixth day of March, One thousand Eight hundred and Ninety-six.

C. E. H. SYMONS.

T. J. ANDERSON.

G. H. ALSTON.

C. J. DONALD.

JAS. A. HENDERSON.

A. J. SAWER.

G. W. CARLYON.

Witness to the above signatures :

F. J. DE SARAM, Proctor, Supreme Court, Colombo.

THE Annual General Meeting of the Shareholders of the Delgolla Estate Company, Limited, will held at the registered office of the Company, at Kandy, upon the 11th April (Saturday), at 8 A.M. The transfer books will be closed from March 31 to April 12.

By order of the Board,

J. MUNTON,  
Secretary.

MR. ROBERT SHAWE TEMPLER is authorized to sign for our Firm per procuration from this date.

CUMBERBATCH & Co.

Colombo, March 26, 1896.

**Total Quantities of the following Articles Exported from the Ports of Colombo and Galle during the under-mentioned periods.**

Vessels.	Date of Clearing.	For what Port.	Plantation Coffee.	Native Coffee.	Tea.	Cacao.	Trunk Ginchona.	Branch Ginchona.	Cinchona Chips.	Cocoanuts.	Copperah.	Cocoanut Oil.	Cocoanut Poonec.	Cinnamon.	Cinnamon Oil.	Citronella Oil.	Cardamoms.	Ebony.	Plumbago.	Coir Rope.	Coir Junk.	Coir Yarn.	Coir Fibre.	Sapan-wood.	Oreilla.	Kitool Fibre.	Deer Horns.
	1896.		cwt.	cwt.	lb.	cwt.	lb.	lb.	lb.	No.	cwt.	cwt.	cwt.	lb.	oz.	oz.	lb.	cwt.	cwt.	cwt.	cwt.	cwt.	cwt.	lb.	lb.	cwt.	cwt.
<b>COLOMBO.</b>																											
ss. Golconda	19/3	London	181	—	505119	32	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
ss. Orotava	22/3	do.	—	—	295949	56	—	—	—	25050	—	—	—	—	—	—	—	—	—	—	—	69	68	—	—	—	—
ss. Rewa	22/3	do.	102	—	196567	89	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
ss. Manche	22/3	China	—	—	—	100	—	—	—	—	—	503	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
ss. Clan Graham	22/3	London	—	—	6410	189	—	—	—	—	—	—	—	—	845	—	—	—	1411	—	—	—	911	—	—	—	5
ss. Yarra	22/3	China	—	—	400	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
ss. Gisela	24/3	Trieste, &c.	134	—	1330	—	—	—	—	2500	—	4156	—	18200*	—	—	—	—	—	—	—	—	—	—	—	—	—
ss. Elektra	24/3	Kobe, &c.	7	—	7732	—	—	—	—	—	—	2260	—	30000	—	8640	—	—	—	367	—	37	20	—	—	—	—
ss. Chingwo	24/3	London	141	—	525934	933	—	—	—	—	—	—	—	—	1572	—	—	—	—	—	—	152	158	—	—	105	—
ss. Pyrrhus	24/3	do.	156	—	142956	589	—	—	—	30050	—	—	—	10000*	—	12576	—	—	193	—	—	—	585	—	—	—	—
ss. Caledonien	24/3	Marseilles...	—	—	1355	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
ss. Chyebassa	24/3	Bombay, &c.	10	—	551	—	—	—	—	—	—	—	—	—	—	—	320	—	—	—	—	—	—	—	—	—	—
ship London Hill	24/3	New York...	—	—	200	—	—	—	—	—	—	8511	—	—	—	—	—	—	32638	—	—	916	—	—	—	—	—
ss. Oldenberg	24/3	Bremen	342	—	3376	44	—	—	—	10890	—	406	3800	16300†	3800	—	3370	142	2850	—	—	390	227	—	—	—	—
ss. Clan Macpher-son	24/3	London	—	—	5661	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
ss. Ben Venue	24/3	do. &c.	—	—	110212	610	—	—	—	—	—	—	—	6000	—	—	3128	—	1712	—	—	252	310	—	—	—	32

\* And Chips 11,200 lb.

† And Chips 28,350 lb.

**Importation of Rice from Indian Ports during the above-mentioned periods.**

TO COLOMBO:—

From Calcutta	... Bags	33,462
„ Southern India	... „	21,025
<b>Total</b>	<b>... Bags</b>	<b>54,487</b>

TO GALLE:—

[Return not received]

Customs, Colombo, March 26, 1896.

F. R. ELLIS,  
Acting Principal Collector.