TRUE COPY

Mrs.Nimali Ranaraja
Company Secretary
DFCC Bank PLC
PQ 233
73/5, Galle Road,
Colombo 03

Articles of Association of DFCC Bank PLC

1. Exclusion of First Schedule of the Act

The regulations contained in the model Articles in the First Schedule to the Companies Act shall not apply to the Company. The Company shall be governed by the regulations contained in these presents provided further that notwithstanding anything to the contrary contained herein, these Articles shall always be subject to the provisions in the Statutes and more particularly the Banking Act No. 30 of 1988 and any amendments and/or modifications thereto together with any regulations, rules, orders, directions and determinations made there under and the provisions of the Banking Act.

2. Definitions and Interpretations

In these Presents, if not inconsistent with the subject or context, the words standing in the first column of the table hereunder shall bear the meaning set opposite those words in the second column thereof.

Words	Meanings
Banking Act	Banking Act No. 30 of 1988 together with any amendments made thereto or any regulations, rules, orders, directions, guidelines and determinations made thereunder from time to time and every other Act or other legal enactment that may repeal, substitute and replace the Banking Act No. 30 of 1988.
Board or Directors	The Directors for the time being of the Company including (where the context so admits or requires) the Alternate Directors appointed in terms of Article 49 hereof.

Words	Meanings
Board Meeting/s	Regular Board Meetings as defined herein and such other meetings of the Board of Directors that will be conducted as Special Board Meetings.
CEO or the Chief Executive Officer	The person who is an employee of the Company performing the functions of the chief executive officer and called by whatever name.
Companies Act or the Act	Companies Act No. 07 of 2007 together with any amendments made thereto or any regulations, rules, orders, directions and determinations made thereunder from time to time and every other Act or legal enactment that may repeal, substitute, or replace the Companies Act No. 07 of 2007.
Company or Bank	DFCC Bank PLC.
Dividend	This word shall have the same meaning given thereto in the Act.
Distributions	This word shall have the same meaning given thereto in the Act and includes a distribution by way of a capitalisation of reserves.
Governing Body	In relation to any enterprise, means anybody of persons by whatsoever name or designation called for the time being charged with the management or administration, or any part thereof, of such enterprise's business or affairs.
In Writing	Written or produced by any substitute for writing or partly one and partly the other.
Loan	Any form of financial accommodation, howsoever described.
Listing Rules	The Listing Rules of a Stock Exchange including those of the Colombo Stock Exchange (Gte) Limited and its successors and assigns on which the securities of the Company are listed as may be amended from time to time.
Month	Calendar month.
Paid up	Paid up or credited as paid up.
Presence or Present	With regard to a shareholder at a meeting means presence or present personally or by proxy or by an attorney duly authorised or in the case of a corporate entity, organisation or other body by a representative duly appointed.
Registrar	The Registrar General of Companies appointed under the Act.
Regular Board Meetings	Meetings of the Board of Directors agreed on and scheduled for the year or any part thereof in advance by the Board of Directors as regular meetings.
Secretary	The Secretary of the Company.
Securities	Securities shall mean debentures, shares, funds, bonds, warrants, options and/or notes issued or proposed to be issued by the Company.
Securities Depository	A duly established depository established under any law or regulation in Sri Lanka or outside Sri Lanka including the Central Depository Systems (Pvt) Limited and its successors and assigns where securities of the Company are deposited.

Words	Meanings
Seal	The Common Seal of the Company.
Securities Account	An account established in terms of the Rules of the Securities Depository.
Shares	Shares issued by the Company.
Shareholder	A shareholder of the Bank.
Special Resolution	These words shall have the same meaning given thereto by the Act.
Stated Capital	The total of all amounts received by the Company or due and payable to the Company in respect of the issue of shares and in respect of calls on shares.
Stock Exchange	Any licensed or regulated stock exchange in Sri Lanka or outside Sri Lanka including the Colombo Stock Exchange (Gte) Limited and its successors and assigns where the securities of the Company are listed.
The Statutes	Any act or legal enactment together with any regulations, rules, orders directions made thereunder insofar as they are applicable to the Bank.
These Presents or These Articles	These Articles of Association as may be altered by Special Resolution from time to time.
Working Day	A day other than a Saturday, a Sunday, or a public holiday.
Year	Calendar year.

The expressions 'debenture' and 'debenture holder' shall include 'debenture stock' and 'debenture stockholder' respectively.

Words importing the singular number only shall include the plural and vice versa; words importing the masculine gender only shall include the feminine gender; words importing persons shall include companies, corporations and firms; the words 'written' or 'in writing' shall include printing or any other means of visible reproduction or partly one or partly another; the words 'book' or 'register' shall unless expressly excluded herein include written, printed, magnetic, electronic or any other type of medium wherever situate in which information is recorded and from which information can be retrieved in a visible form; the words 'post' and 'postal' shall include the dispatch of any item through the Department of Posts or any other provider of delivery services.

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

The headings are inserted for convenience only and shall not affect the construction of These Presents.

Reference to any statutory provision, regulation, rule, order or direction shall include a reference to such provision, regulation, rule, order or direction as from time to time re-enacted, amended, extended, supplemented or replaced.

A. OBJECTS

3. Objects of the Company

The objects of the Company shall be –

i. Carrying on the business of DFCC Bank established under the Development Finance Corporation of Ceylon, Act No. 35 of 1955 as provided for in the DFCC Bank (Repeal and Consequential Provisions) Act No. 39 of 2014 and all forms of business and activities of a licensed commercial bank as specified in the Banking Act and to the extent permitted by Schedule II of the Banking Act including any business hitherto carried out by the DFCC Vardhana Bank PLC and any activity, transaction or business permitted by Schedule II.

ii. Provision of medium and long-term development finance to any person.

iii. Carrying on finance leasing business in conformity with the provisions of the Finance Leasing Act No. 56 of 2000.

iv. Carrying on the business of an authorised dealer in foreign exchange in terms of the provisions of the Exchange Control Act No. 24 of 1953.

v. Any other activity, transaction, investment or business approved by the Monetary Board of the Central Bank of Sri Lanka from time to time.

B. SHARES

4. Public Company and Liability of Shareholders

The Company is a limited company within the meaning of the Act.

5. Stated Capital

At the incorporation of the Company under the Companies Act No. 07 of 2007 the stated capital of the Company was Rupees Four Billion Seven Hundred and Fifteen Million Eight Hundred and Thirteen Thousand Nine Hundred And Ninety Two and Cents Eighty Seven (4,715,813,992.87) comprising Two Hundred and Sixty Five Million Ninety Seven Thousand Six Hundred and Eighty Eight (265,097,688) ordinary shares.

6. Restrictions on Holding Shares in the Company

i. The Company, being governed by the Statutes, shall at all times comply with the shareholding criteria stated therein from time to time.

ii. The Secretary may, when deemed necessary, require any shareholder of the Company or a transferee of a share in the Company to disclose by means of an affidavit or by such other acceptable means, as may be specified by the Secretary, such information required by the Secretary to determine the beneficial ownership of a share to ensure compliance with the Statutes. The information so required may include particulars of funding sources and direct and indirect associations and/or relationships with any other shareholders.

iii. (a) Whenever the Secretary, having made inquiries as may be considered necessary, is of the opinion that any share/s in the Company registered in its Share Register in the name of any person or shares held in the Securities Depository contravenes Article 6 (i) above, the Secretary as directed by the Board (and where necessary with the clarification and assistance sought from the Central Bank of Sri Lanka) shall issue a notice on such person whose name is so registered, requiring that person to sell such share/s within the time stipulated in such notice.

(b) In the event that such person fails to comply with the said notice within the stipulated time, the Secretary may as directed by the Board (and where necessary with the clarification and assistance sought from the Central Bank of Sri Lanka) act for and on behalf of such person, to sell such shares as aforementioned, to take steps to open a Securities Account at the Securities Depository, to give directions to licensed stock brokers, to sign the transfer form and all other documents and to do all other acts whatsoever that are necessary for the sale of the shares as aforementioned, and to receive the sale proceeds thereof for and on behalf of such person and to retain such sale proceeds for collection by such person, less all charges and expenses pertaining to such sale. All proceeds of distributions during the period that such registration of ownership is withheld shall be held in a blocked account and paid to the transferor of such shares.

(c) Whenever the Secretary acts as aforementioned the said person shall forthwith surrender to the Secretary on demand the share certificate(s) where applicable held by that person. In the event that such person fails to do so the Board may order the cancellation of such certificate(s).

(d) Where Sub-Article 6 (iii) operates the said person and/or any other person claiming under or through that person shall have no right or claim whatsoever against the Company and/ or the Secretary regarding the sale of such shares, except to receive as aforesaid the net sale proceeds and the distributions as referred to in sub Articles in 6 (iii) (b) above, retained by the Secretary.

iv. Whenever the Secretary, after making all such inquiries as may be considered necessary, is of the opinion that a transferee is acquiring shares contrary to Article 6 (i), the Secretary shall not enter the name of such transferee in the Share Register, in respect of the number of shares purchased by such transferee or the Securities Depository, as the case may be, in excess of the shareholding permitted under the Statutes.

v. For avoidance of any doubt, it is expressly stated by this Sub-Article that all the provisions in Article 6 shall also apply to persons for whose benefit any shares in the Company are held in trust by the Securities Depository.

7. Issue of Shares

i. The Board may issue such shares to such persons as it considers appropriate, in accordance with Section 51 of the Act.

ii. The issue of such shares shall be subject to the rules and regulations of any Stock Exchange on which the Company's securities are listed.

iii. Where the shares confer rights other than those specified in Section 49 (2) of the Act, or impose any obligation on the holder, the terms of issue, which set out the rights and obligations attached to those shares shall require the approval of the Board.

iv. Before it issues shares, the Board shall decide the consideration for which the shares may be issued. The consideration shall, in the opinion of the Directors, be fair and reasonable to the Company and to all existing shareholders.

v. Except as otherwise provided for by Special Resolution or provided for in these Presents where the Company issues shares which rank equally with or above existing shares in relation to voting or distribution rights, those shares shall, be offered to the holders of the existing shares in a manner which would, if the offer is accepted, maintain the relative voting and distribution rights of those shareholders, as nearly as possible in proportion to the shares already held by them. This shall, in the case of shares of any particular class, be subject to any limitation as to participation in any issue of shares which may attach to such shares of such particular class. Such offer shall be made by notice specifying the number of shares to which the shareholder is entitled, and setting out a time by which the offer, if not expressly accepted, will be deemed to be declined. Any shares that are declined shall be at the disposal of the Board.

vi. Without prejudice to the generality of the provisions in Article 7 (v) hereof, the Company may, at the time of making the said offer, request holders of the existing shares who desire an allotment of shares in excess of their respective proportions to state how many excess shares each such holder desires. In the event that any holders of existing shares do not expressly accept the whole of their respective proportions, such shares may be allotted to those holders who desire an additional allotment in such numbers as the Board decides, or may be allotted and issued subject to the limitation imposed by Article 6 (i) hereof to such other persons as the Board considers appropriate.

vii. The Board may, subject to and in accordance with the provisions of the rules and regulations of a Stock Exchange –

(a) effect a sub-division of existing shares into a greater number or a consolidation into a lesser number of shares;

(b) issue shares pursuant to a capitalisation of the reserves of the Company or by way of Dividends;

(c) issue shares upon conversion of debentures into shares whether at the option of the debenture holder or otherwise; or

(d) issue shares to persons other than existing shareholders as well.

viii. The provisions of Article 7 (v) hereof shall not apply to an issue of shares under paragraphs (c) and (d) of Article 7 (vii) above.

ix. The Company shall, prior to an issue of shares in terms of paragraphs (c) and (d) of Articles 7 (vii) above, obtain approval therefore by way of a Special Resolution from the holders of shares whose voting and distribution rights would be affected thereby.

x. The Board may take such action as it may, at its absolute discretion think necessary, to deal with any fractions that may arise in the computation of the number of shares that a shareholder would be entitled to upon a consolidation and/or sub-division of shares in the Company, as the case may be.

xi. The Company may issue redeemable shares as may be decided by the Board at the time of such issue, which may be redeemed by the Company at the option of the Company or at the option of the holders of such shares or on a date specified by the Board. Such redemption shall be for a consideration that is specified by the Board at the time of issue, or at a sum to be calculated by reference to a formula, or fixed by a suitably qualified person who is not associated with or interested in the Company, as decided by the Board at the time of issue.

xii. Subject to Article 7 (i) hereof and without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by the next following Article), any share may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to Dividend, return of capital, voting or otherwise as the Board may from time to time determine.

xiii. All new shares shall be subject to the provisions of These Presents with reference to payment of calls, lien, transfer and transmission and otherwise.

xiv. The Board may from time to time also issue Securities to such persons as it considers appropriate subject to the provisions of These Presents.

xv. Nothing in These Presents contained shall preclude the Board from recognising and acting on a renunciation of the allotment of any share by the allottee thereof in favour of any other person.

xvi. None of the funds of the Bank shall be employed directly or indirectly in the purchase of or lent on the security of shares of the Bank and the Bank shall not give any financial assistance for the purpose of or in connection with any purchase of shares in the Bank.

Provided that nothing in These Presents contained other than any prohibition specifically imposed by Statute shall be taken to prohibit –

(a) the provision by the Bank, in accordance with any scheme for the time being in force, of money for the purchase of, or subscription for, fully paid shares in the Bank, being a purchase or subscription by trustees of or for shares to be held by, or for the benefit of, employees of the Bank, including any Director holding a salaried employment or office in the Bank;

(b) the making by the Bank of loans to persons, other than Non-Executive Directors, *bona fide* in the employment of the Bank with a view to enabling those persons to purchase or subscribe for fully-paid shares in the Bank, to be held by themselves by way of beneficial ownership;

(c) the purchase of its own shares in accordance with These Presents.

8. *Variation of Rights*

i. Where the Company proposes to take action, which affects the rights attached to shares within the meaning of Section 99 of the Act, the action may not be taken unless it is approved by a Special Resolution of each interest group as defined in the Act.

ii. In the event that a meeting is to be convened to pass such a Special Resolution, the provisions in These Presents relating to general meetings of the Company shall mutatis mutandis apply to such meeting. This shall be subject to the exception that the necessary quorum shall be at least two (2) persons attending in person or represented by a proxy or an attorney or an authorised representative, together holding a total of twenty percent (20%) of the number of shares of that class issued by the Company.

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

iv. (a) The Company may consolidate shares or the shares in a particular class of shares in the Company into a lesser number of shares, in proportion to those shares, leaving unaffected the relative voting and distribution rights of the holders of those shares, by following a procedure to effect such consolidation as the Board may consider appropriate.

(b) The Company may subdivide all the shares or all the shares in a particular class of shares in the Company into a greater number of shares, in proportion to those shares, leaving unaffected the relative voting and distribution rights of the holders of those shares, by following a procedure to effect such subdivision as the Board may consider appropriate.

(c) The Board may take such action as it may, at its absolute discretion think necessary, to deal with any fractions that may arise in the computation of the number of shares that a shareholder would be entitled to upon a consolidation and/or sub-division of shares in the Company, as the case may be.

9. Purchase of Own Shares

Subject to the provisions in the Statutes, the Company may offer or agree to purchase or otherwise acquire its own shares from one or more of the shareholders or from all the shareholders with the approval of the Board.

10. Share Certificates

i. Subject to the provisions of Section 78 of the Act and subject to the Rules of a Stock Exchange on which the Company is listed, every person whose name is entered as a shareholder in the Share Register shall be entitled without payment to receive one certificate for all his shares of any one class. However, upon payment of such sum as the Board shall from time to time determine, several certificates, each for one or more of his shares of any one class may be issued if requested.

ii. Where a shareholder transfers part only of the shares comprised in a certificate the old certificate shall be cancelled and a new certificate for the balance of such shares shall be issued in lieu without charge.

iii. Every share certificate issued by the Company shall be signed by a Director and the Secretary of the Company or as agreed to by the Board in terms of Article 73 hereof and shall specify the number of shares to which it relates

iv. The Company shall not register more than three (03) persons as the joint holders of any share (except in the case of executors, administrators or trustees of a deceased shareholder), and in the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor.

v. Delivery of the certificate to such person, whose name stands first in the Register of shareholders, or his duly authorised representative, shall be sufficient delivery to all.

11. Renewal of Share Certificates

i. In the event that a share certificate is worn out or defaced, the Directors may order that such certificate be cancelled upon the production thereof to the Directors. A new share certificate in lieu of the cancelled certificate may be issued to the person entitled to such certificate.

ii. In the event that a share certificate is lost or destroyed, upon proof of such loss or destruction to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new share certificate in lieu of a lost or destroyed certificate may be issued to the person entitled to such certificate.

iii. The Company shall be paid a fee as decided by the Directors for every share certificate issued under this Article, together with an amount for any costs and expenses which the Company has incurred in connection with such issue, including those relating to any investigations that may have had to be carried out by the Directors.

12. Calls on Shares

i. Where a share imposes any obligation on the holder to pay an amount of money by a fixed date, then the holder must pay that amount by that date. Provided however, where the Board is authorised to give notice of a date by which a payment should be made, it shall give notice of such date, which date shall not be less than twenty (20) Working Days from the date of such notice and the payment shall be made in accordance with that notice.

ii. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed. A call may be made payable by instalments.

iii. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

iv. In the event that a sum called in respect of a share is not paid before or on the day appointed for payment the person from whom the sum is due shall pay interest on that sum from the day appointed for payment up to the time of actual payment at such rate as the Board shall determine. The Board may, at its discretion, waive payment of such interest wholly or in part.

v. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall, for the purposes of These Presents, be deemed to be a call duly made and payable on the date on which by the terms of issue, the same becomes payable. In the event of non-payment all the relevant provisions of These Presents as to payment of interest and expenses or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

13. Registers and Closing of Registers

i. The Company shall maintain a Share Register, which complies with Section 123 of the Act. The Share Register shall be kept at the registered office of the Company or at any other place in Sri Lanka, notice of which has been given to the Registrar in accordance with Section 124 (4) of the Act.

ii. The Share Register may be divided into two or more registers kept at different places, as maybe decided by the Board.

iii. The Company may close the Share Register in the manner set out in Section 127 of the Act.

iv. Where the Company has more than fifty (50) shareholders it shall maintain an index of shareholders in accordance with Section 126 of the Act.

v. Subject to the provisions in any debenture certificate, debenture stock certificate, trust deed or in any document securing debentures or debenture stock, the Company may after notice published in the Gazette and in any newspaper circulating in the district in which the registered office of the Company is situated and in which the register of holders of debentures or debenture stock is kept, close the register of holders of debentures for a period not exceeding a total of thirty (30) days in any year.

14. Lien on Shares

i. The Company shall have a first and paramount lien on every share (other than a fully-paid share) for all moneys whether presently payable or not, called or payable at a fixed time in respect of such share.

ii. The Company shall also have a first and paramount lien on all shares (other than fully-paid shares) standing registered in the name of a single shareholder for all the debts and liabilities of such shareholder or his estate to the Company –

   (a) whether such debt or liabilities shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such shareholder,

   (b) whether the time period for the payment or discharge of such debts or liabilities has arrived or not, and

   (c) notwithstanding that the debts and liabilities are joint debts or liabilities of such shareholder or his estate and any other person, whether a shareholder of the Company or not.

iii. The Company's lien (if any) on a share shall extend to all Dividends payable thereon.

iv. The Board may resolve that any share shall for some specified period be exempt from the provisions of this Article.

15. Disposal of Shares Subject to Lien

i. The Company may sell or dispose in such manner as the Board thinks fit any share on which the Company has a lien. Provided however, such sale or disposal shall not be made unless a sum in respect of which the lien exists is presently payable and not until the expiration of fourteen (14) days after notice in writing, stating and demanding payment of the sum presently payable and giving notice of intention to sell or dispose in default, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of the death or bankruptcy of the holder.

ii. The net proceeds of such sale or disposal after payment of the costs of such sale/disposal shall be applied towards payment or satisfaction of the debt or liability in respect of which the lien exists. Any residue shall be paid to the person entitled to the shares at the time of sale or disposal, after having retained in a suspense account any amount of money required to satisfy a like lien that exists upon the shares prior to the sale or disposal for debts or liabilities that are not however presently payable.

iii. A declaration in writing under oath or affirmation that the declarant is a Director of the Company and that a share has been duly sold or disposed of to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein as against all persons claiming to be entitled to the share.

iv. Such declaration, the receipt by the Company of consideration (if any) given for the share on the sale or disposal thereof and the issue by the Company of a share certificate for such share shall (subject to the execution of a transfer if the same be required) confer good title to the share upon the person to whom the share is sold or disposed in terms of Article 15 (i) hereof.

v. Such person shall accordingly be registered as the holder of the share.

16. Transfer of Shares

i. Except as provided for in the rules of a Stock Exchange or Security Depository, the instrument of transfer of a share shall be signed by the transferor and the transferee or by an authorised representative on behalf of a transferor or transferee or by the legal representative of a transferor or transferee.

ii. The Board may, in its absolute discretion and without assigning any reason therefore, decline to register any transfer of shares (not being fully-paid shares) to a person of whom they shall not approve and they may also decline to register any transfer of shares (not being fully-paid shares) on which the Company has a lien.

iii. The Board may decline to recognise any instrument of transfer unless –

   (a) The instrument of transfer properly stamped (if so necessary) is deposited at the registered office of the Company or such other place as the Board may appoint, accompanied by the certificate of the shares to which such instrument relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do) and

   (b) The instrument of transfer is in respect of only one class of shares.

iv. All instruments of transfer in respect of shares which have been registered shall be retained by the Company.

v. Nothing in These Presents shall be deemed, interpreted or construed to mean that the Board is bound to inquire into the validity, legal effect or genuineness of any instrument of transfer produced by a person claiming a transfer of any shares in accordance with These Presents. The transferor shall have no claim whatsoever upon the Company in respect of the shares (whether the Board abstains from inquiring or do so inquire and are misled) except for the Dividends declared prior to such transfer in respect thereof, which the Company shall pay to the transferor.

vi. Notwithstanding any provision in These Presents suggesting the contrary (except the provision in Article 6 (i) hereof), shares and or securities quoted on a Stock Exchange shall be freely transferable and registration of the transfer of such quoted shares/securities shall not be subject to any restriction, save and except to the extent required for compliance with the requirements of the statutes and regulations, directions, rules or orders made or given under the statutes or the rules of such Stock Exchange or Securities Depository.

17. Registration of Transfer

i. The Board may by such means as it shall deem expedient authorise the registration of the transfer or transmission of shares without a meeting of the Board for that purpose.

ii. Notwithstanding anything to the contrary in These Presents (except the provision in Article 6 (i) hereof), as long as the shares and or securities of the Company are quoted on a Stock Exchange, the Board may register without assuming any liability therefore any transfer of shares/securities which is in accordance with the Rules and Regulations of such Stock Exchange and/or the Securities Depository save and except to the extent required for compliance with the requirements of the Statutes or These Presents.

iii. Upon giving such notice as may be required by the Statutes, the registration of transfers may be suspended and the Share Register closed at such time and for such period as the Board may from time to time determine, provided always that such registration shall not be suspended or the Share Register closed for more than thirty (30) days in any year.

iv. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney, or other document relating to or affecting the title to any shares or for making any entry in the Share Register relating to the title to any shares, such fee as the Board may determine from time to time.

18. Transmission of Shares on Death, Bankruptcy, Insolvency or Incapacity of a Shareholder

i. In the case of the death of a shareholder the following shall be the only persons recognised by the Company as having any title to his shares –

   (a) the survivor or survivors where the deceased was a joint holder;

   (b) the executors or administrators of the deceased (or where the estate of the deceased is under the administrable value the heirs of the deceased); or

   (c) a person nominated by that shareholder in terms of Section 544 of the Civil Procedure Code where he was the sole or only surviving holder.

ii. Any person becoming entitled to shares as a consequence of the death or bankruptcy, insolvency or incapacity of any shareholder, upon producing proper evidence of the grant of probate or letters of administration or such other evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may with the consent of the Board be registered as a shareholder in respect of such shares or may, subject to the provisions as to transfers herein before contained, transfer such shares.

iii. The Board shall have the same right to refuse to register a person entitled to any shares by transmission in terms of this Article, or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

iv. A person becoming entitled to a share as a consequence of the death, bankruptcy, insolvency or incapacity of a shareholder may give a discharge for all Dividend and other moneys payable in respect of the share. Such a person shall not however be entitled to exercise any right conferred by being a shareholder in relation to meetings of the Company or, save as otherwise provided by or in accordance with These Presents, to any of the rights or privileges of a shareholder until he shall have become a shareholder in respect of the share.

v. Where there are several executors or administrators of a deceased shareholder in whose sole name any shares are registered, any one (1) of such executors or administrators may vote in respect of such shares, unless any of the other executors or administrators are present at the meeting at which such a vote is tendered and objects to the vote. In such an event, a vote in relation to such shares on any matter shall not be accepted unless all such executors or administrators agree thereto.

vi. Nothing herein contained shall release the estate of a deceased shareholder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

19. Distributions

i. (a) The Company may make distributions to shareholders in accordance with Section 56 of the Act.

(b) Every distribution that is a Dividend must be authorised and approved by the Board and no approval of the shareholders by ordinary resolution shall be required before the Company pays a Dividend that is authorised and approved by the Board of Directors.

ii. No Dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

iii. The Board may deduct from any Dividend or other moneys payable to any shareholder on or in respect of a share all sums of money, if any, authorised by These Presents to be deducted therefrom including any taxes and levies payable on same.

iv. The Board may retain any Dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards the satisfaction of the debts or liabilities in respect of which the lien exists.

v. The Board may retain Dividends payable upon shares in respect of which any person is, under the provisions as to the transmission of shares hereinbefore contained, entitled to become a shareholder, until such person has become a shareholder in respect of such shares.

vi. The payment by the Board of any unclaimed Dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. Any Dividend unclaimed after a period of six (6) years from the date of declaration of such Dividend may be forfeited and if so forfeited shall then revert to the Company. All unclaimed Dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed.

vii.(a) Any Dividend which may be authorised and approved by the Directors may be paid by means of cash or by the distribution of specific assets and, in particular, of paid-up shares, debentures or debenture stock of the Company or in any other form of specie or in any one or more of such ways.

(b) Where any difficulty arises in regard to the distribution, the Board may settle the same as they think expedient and in particular may fix the value of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties.

(c) The Board may create trusts and vest any such specific assets in trustees for the persons entitled to the Dividend as may seem expedient to the Board.

viii. (a) Any Dividend or other money payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the shareholder or person entitled thereto, or as otherwise directed in writing by such shareholder or person. If however, several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, the said cheque or warrant may be sent to the person whose name stands first in the Register of Shareholders or to a person nominated by him.

(b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders or the person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct. Payment of the cheque or warrant, if purporting to be endorsed or signed by way of receipt, shall be a good discharge to the Company.

(c) Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby and the Company shall not be liable or responsible for the loss of any such cheque or Dividend warrant sent through the post.

ix. If several persons are registered as joint holders of any shares, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give valid receipts for any Dividend or other moneys payable on or in respect of the share.

20. Reserves

(i) The Board may, before authorising and approving any Dividend, set aside out of the profits of the Company such sums as it thinks proper to one or more reserve funds to meet contingencies, or for equalising Dividends, or for special Dividends, or for repairing, improving and maintaining any property of the Company, or for such other purpose as the Board shall in their absolute discretion think conducive to the interests of the Company. The Board may also carry forward any profits, which they may think it inconvenient or not prudent to distribute.

(ii) Subject to the Provisions of the Statutes the Board may invest the sums so set aside in such investments (other than shares of the Company) as it may think fit. It may from time to time deal with and vary such investments and dispose all or any part thereof for the benefit of the Company. The Board may divide the reserve funds into special funds as it may think fit, and may employ the reserve funds or any part thereof in the business of the Company without being bound to keep the same separate from the other assets.

21. Capitalisation of Profits and Reserves

i. Subject to the provisions of the Statutes the Board may decide that it is desirable to capitalise any part of the amounts standing to the credit of all or any of the Company's reserve accounts or to the credit of its retained profits.

ii. Accordingly, the Board may authorise and approve the distribution of such funds amongst the shareholders who would have been entitled thereto if distributed by way of Dividend and in the same proportions. Such approvals and authorisations shall be subject to the condition that the same be not paid in cash, but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such shareholders respectively, or paying up in full un-issued shares or debentures or securities of the Company to be allotted and distributed or credited as fully paid up to and amongst such shareholders in the proportion aforesaid or partly in the one way and partly in the other.

C. MEETINGS OF SHAREHOLDERS

22. Notice of Meetings

i. Written notice of the time and place of a meeting of shareholders (including a meeting where it is intended to propose a resolution as a Special Resolution) shall be given to every shareholder entitled to receive notice of the meeting and to every Director and the Auditor of the Company –

(a) not less than fifteen (15) Working Days before the meeting, if the meeting is an Annual General Meeting or it is intended to propose a resolution as a Special Resolution at the meeting;

(b) not less than ten (10) Working Days before the meeting, in the case of any other meetings provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed –

i. in the case of a meeting called as the Annual General Meeting, by all the shareholders entitled to attend and vote at such meeting; and

ii. in the case of any other meeting, by the shareholders having a right to attend and vote at the meeting, being shareholders together holding shares which carry not less than ninety five per centum (95%) of the voting rights, on each issue to be considered and voted on at that meeting.

ii. The notice shall set out –

(a) the nature of the business to be transacted at the meeting so as to enable a shareholder to form a reasoned judgment in relation to it; and

(b) the intention, if any, to propose a resolution at such meeting and the text of any resolution to be submitted to the meeting.

iii. The accidental omission to give notice to, or the non-receipt of notice by any person entitled thereto, shall not invalidate the proceedings at any general meeting.

iv. An irregularity in a Notice of a Meeting is waived if all the shareholders entitled to attend the meeting and who are entitled to vote so attend without protest as to the irregularity, or if all such shareholders agree to the waiver.

v. Except in a situation where Article 26 (ii) applies, if a meeting of shareholders is adjourned for less than thirty (30) days, it is not necessary to give notice of the time and place of the adjourned meeting, other than by announcement at the meeting which is adjourned.

23. Shareholders Entitled to Notice of Meetings

i. The shareholders who are entitled to receive Notice of a Meeting of shareholders for any purpose shall be –

(a) those shareholders whose names are registered in the Share Register on a date fixed by the Directors therefor; or

(b) in the event that the Board does not fix a date for the purpose, those shareholders whose names are registered in the Share Register at the close of business on the third (3rd) working day immediately preceding the day on which the notice is given.

ii. Subject to any provisions in the Rules and Regulations of a Stock Exchange, the date by which the entitlement of shareholders to receive notice of a meeting of shareholders as determined under Article 23 (i) above shall not precede the date on which the meeting is to be held by more than thirty (30) working days.

iii. Before a meeting of shareholders is held, the Company shall prepare a list (arranged in alphabetical order) of shareholders entitled to receive Notice of the Meeting stating the number of shares held by each shareholder –

(a) if a date has been fixed under Sub-Article 23 (i) (a) above, not later than ten (10) working days after that date; or

(b) if no such date has been fixed, at the close of the third (3rd) working day immediately preceding the date on which the notice is given.

iv. A person named in a list prepared under Sub-Article 23 (iii) hereof of this Article is entitled to attend the meeting and in the case of shares carrying voting rights, vote in person or by proxy or through an attorney or an authorised representative, as the case may be, in respect of the shares shown opposite his name. Provided however, if -

(a) such person has, since the date on which the Notice of the Meeting is dispatched, transferred any of his shares to some other person; and

(b) the transferee of those shares has been registered as the holder of those shares at least one (01) day prior to the date fixed for the meeting, then the transferor shall not be entitled to attend or to vote in respect of the shares so transferred but the transferee shall be entitled to attend and/or vote in respect of such shares.

v. A shareholder may examine a list prepared under Sub-Article 23 (iii) during normal business hours, on any date prior to two (2) working days of the date scheduled for the meeting of shareholders, at the registered office of the Company.

24. Notice of Proposed Shareholder Resolutions

Shareholders shall give notice to the Company, in accordance with Section 142 of the Act of a resolution intended to be moved at an Annual General Meeting. The Company shall give notice of the resolution or circulate any statement with respect to the matter referred to in the proposed resolution, or both, as the case may be, in accordance with Section 142 of the Act. The Company is not required to give notice of a resolution or circulate a statement in the circumstances set out in subsections (4) or (5) of Section 142 aforesaid.

25. Methods of Holding Meetings

Subject to the provisions of the Act a meeting of shareholders, including a meeting where it is intended to propose a resolution as a Special Resolution, may be held by a number of shareholders who constitute a quorum being assembled together at the place, date and time appointed for the meeting.

26. Quorum

i. Subject to Article 26 (ii) hereof no business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Twenty (20) shareholders present in person or by proxy or attorney or in the case of a corporation by a duly-authorised representative as provided by Article 30 representing at least a total of twenty per centum (20%) of the number of shares issued by the Company, shall be a quorum for all purposes.

ii. If a quorum is not present within thirty (30) minutes after the time appointed for the meeting, the meeting shall be adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the Directors may appoint. If at the adjourned meeting, a quorum is not present within thirty (30) minutes after the time appointed for the meeting, not withstanding anything in These Presents the shareholders present or their proxies, if more than one, shall be deemed to form a quorum.

27. Chairman of Meetings of Shareholders

The Chairman elected by the Board in terms of Article 52 shall preside as Chairman at meetings of the shareholders. If a Chairman has not been appointed, or if at any meeting the Chairman is not present within five (05) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be the Chairman of the meeting.

28. Voting

i. In the case of a meeting of shareholders held under Article 25, unless a poll is demanded, voting at the meeting shall be by any one (1) of the following methods as determined by the Chairman of the meeting –

(a) voting by voice; or

(b) voting by show of hands.

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands or voting by voice as aforesaid every member who is present in person or is represented by a proxy or attorney or an authorised representative shall have one (01) vote.

ii. A declaration by the Chairman of the meeting that a resolution is carried by the requisite majority or lost is conclusive evidence of that fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution, unless a poll is demanded in accordance with Sub-Article 28 (iii) hereof.

iii. At a meeting of shareholders, a poll may be demanded on a particular question as provided for in the Act.

iv. A poll may be demanded either before or after a vote is taken on a resolution. However, the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

v. If a poll is taken, votes must be counted according to the votes attached to the shares of each shareholder present and voting.

vi. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.

vii. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made before a decision is made shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

29. Proxies

i. A shareholder may exercise the right to vote by being present in person or by proxy.

ii. A proxy for a shareholder is entitled to vote, attend and be heard at a meeting of shareholders as if the proxy were the shareholder.

iii. A proxy must be appointed by notice in writing signed in manuscript by the shareholder, addressed to the Secretary. The notice must state whether the appointment is for a particular meeting, or for a specified term.

iv. No proxy is effective in relation to a meeting, unless a copy of the notice of appointment is given to the Secretary not less than Forty Eight (48) hours before the start of the meeting.

v. An instrument of proxy shall be in the following form or a form as near thereto as circumstances permit:

'.....'

'I/We ..... of ..... being a

shareholder/shareholders of ..... hereby appoint ..... of .....

or failing him ..... as my/our proxy to attend and vote and speak at

the (Annual or Extraordinary as the case may be) General Meeting of the Company to be held on

the ..... day of ..... 20 ..... and at any adjournment thereof.

Signed this ..... day of ..... 20.....'

vi. (a) Any Form of Proxy issued by the Company may in the case of a meeting at which specific business is to be transacted be so worded that a member may direct his proxy to vote either for or against any of the resolutions to be proposed.

(b) The proxy shall be deemed to include the right to demand or join in demanding a poll.

(c) An instrument appointing a proxy, whether or not in the usual common form, shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.

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

30. Corporations May Act Through Representatives

A body corporate, which is a shareholder, may appoint or authorise a representative to attend, vote and be heard at a meeting of shareholders on its behalf in the same manner as it could appoint a proxy.

31. Minutes of Shareholders' Meeting

The Board shall ensure that minutes are kept of all proceedings at meetings of the shareholders. Any such minutes purporting to be signed by the Chairman of the meeting at which the proceedings were had or by the Chairman of the next succeeding meeting, shall be evidence of such proceedings.

32. Votes of Joint Holders

Where two (2) or more persons are registered as the holder of a share, the vote of the person named first in the Register of Shareholders and voting on a matter shall be accepted to the exclusion of the votes of the other joint holders.

33. Loss of Voting Right if Calls Unpaid

If a sum due to the Company in respect of a share has not been paid, that share may not be voted on at a shareholders' meeting other than a meeting of an interest group as defined in the Act.

34. Annual General Meetings and Extraordinary General Meetings of Shareholders

i. The Board shall call an Annual General Meeting of the Company to be held –

(a) once in each calendar year;

(b) not later than six (6) months after the Reporting date of the Company; and

(c) not later than fifteen (15) months after the date of the previous Annual General Meeting.

ii. An Extraordinary General Meeting of shareholders entitled to vote on an issue may be called at anytime by the Board, and shall be called by the Board if requisitioned by shareholders in terms of the Act.

35. Voting in Interest Groups

Where the Company proposes to take action which affects the rights attached to shares within the meaning of Section 99 of the Act, the action may not be taken unless it is approved by a Special Resolution of each interest group, as defined in the Act.

D. DIRECTORS AND SECRETARY

36. Appointment and Removal of Directors

i. Subject to the provisions of the Statutes, the number of Directors of the Company shall not be less than seven (7) nor more than thirteen (13) provided however where the number of Directors reduce below the minimum number prescribed in this Article, the remaining Directors shall subject to Statute be entitled to appoint the required number of Directors to increase the number of Directors to the minimum number stipulated herein subject to the provisions of Article 46.

ii. As long as any guarantee/s issued by the Central Bank and/or the Government of Sri Lanka for and on behalf of the Company to national or international organisations are valid and in force, the Minister in charge of the subject of Finance shall be entitled to appoint one (1) Director of the Company. Immediately upon the lapse of the said guarantee/s, the Director so appointed by the Minister shall *ipso facto* cease to be a Director of the Company.

iii. The Chief Executive Officer of the Company appointed under Article 38 shall be an ex-officio member of the Board of Directors with the right to vote at any meeting of the Board.

37. Composition of the Board

i. At least three (3) Directors or one-third (1/3rd) of the total number of Directors of the Company whichever is higher shall at all times be Independent Directors (Defined hereunder in this Article).

ii. The number of Executive Directors shall not at any time exceed the number specified in the Banking Act.

iii. For the purposes of this Article and Article 51 hereof, an Independent Director shall mean a Director –

   (a) who satisfies the criteria specified in the Statutes for determining an independent Director; and

   (b) who is not a shareholder of the Company directly or indirectly holding in excess of 1% of the number of shares issued by the Company.

iv. For the purposes of this Article Non-Independent Directors shall mean –

   (a) Executive Directors; and

   (b) Directors other than Independent Directors.

v. For the purposes of this Article 40 and Article 60, Executive Directors shall mean the Directors appointed under Articles 38 and 39 hereof.

vi. No share qualification shall be necessary to become a Director.

vii. A Director may be appointed or removed by an ordinary resolution passed at a meeting called for the purpose, by a written resolution in accordance with the Act and These Presents. The shareholders may only vote on a resolution to appoint a Director if –

   (a) the resolution is for the appointment of one (1) Director; or

   (b) the resolution is a single resolution for the appointment of two (2) or more persons as Directors, and a separate resolution that it be so voted on has first been passed without a vote being cast against it.

38. Chief Executive Officer

i. The Board may from time to time appoint any person as a Chief Executive Officer in the Company for such period and on such terms as the Board shall think fit and may at any time revoke such appointment.

ii. A Chief Executive Officer appointed in terms of (1) above shall also be a member of the Board of Directors. Such Chief Executive Officer shall be an Executive Director and shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors.

39. Appointment of Executive Directors

i. Subject to the provisions in the Banking Act, the Board may appoint, for such period and on terms and conditions as it may decide, a holder of an executive office as a Director.

ii. In the event that an Executive Director ceases to be employed with the Company such person shall ipso facto cease to be a Director of the Company unless the Board specifically resolves otherwise.

40. Powers of Executive Directors

Subject to any conditions or restrictions which the Board considers appropriate, the Board may delegate to an Executive Director, any of their powers which can be lawfully delegated. Any such delegation may at any time be withdrawn or varied by the Board. The delegation of a power of the Board to the Executive Director does not prevent the exercise of the power by the Board, unless the terms of the delegation expressly provide otherwise.

41. Holding of Concurrent Office

Subject to the Provisions of the Statutes a Director may be a Director or officer of, or otherwise be interested in, any company promoted by or in which the Company may be interested as a shareholder or otherwise. Such a Director shall not be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other company unless the Board otherwise directs.

42. Resignation of Directors

A Director may resign by delivering a signed written notice of resignation addressed to the Secretary, at the Registered Office of the Company. Subject to Section 208 of the Act, the notice is effective when it is received at the registered office or at any later time specified in the notice.

43. Vacation of Office Of Director

A Director *ipso facto* vacates office if he –

(a) resigns in accordance with Article 42;

(b) is removed from office in accordance with the provisions of the Statutes or These Presents;

(c) becomes disqualified from being a Director pursuant to Section 202 of the Act;

(d) dies;

(e) vacates office pursuant to subsection (2) of Section 210 of the Act on the ground of his age;

(f) becomes prohibited by law from acting as a Director;

(g) compounds with his creditors or if a receiving order is made against him;

(h) is absent from three (3) consecutive Regular Board Meetings or two-thirds (2/3rds) of the Regular Board Meetings in any period of 12 months;

(i) is requested in writing by all of his Co-Directors to resign;

(j) has been or is connected to any organisation (whether directly or through related entities) which has been banned by any regulatory or other authority in any country;

(k) being a Director appointed under Articles 38 or 39 of These Presents, ceases to be an employee of the Company.

44. Retirement by Rotation

i. Subject to the provisions of the Statutes and except for the Directors appointed under Article 36 (ii), the Chief Executive Officer and any other Executive Director appointed under Article 39, one-third (1/3rd) of the Directors for the time being or, if their number is not a multiple of three (3), the number nearest to, but not greater than, one-third (1/3rd), shall retire from office at each annual general meeting. A Director retiring at a meeting shall retain office until the close of the meeting including any adjournment thereof.

ii. The Directors who retire at each Annual General Meeting shall as far as practicable be those who have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day, the Directors who retire shall, unless they otherwise agree among themselves, be determined by lot. A retiring Director shall be eligible for re-election.

iii. The Company shall at the meeting at which a Director retires in the manner aforesaid fill the vacated office by electing a person thereto, and in default the retiring Director shall be deemed to have been re-elected unless –

   (a) At such meeting it is expressly resolved not to fill such vacated office, or a resolution for the re-election of such Director is put to the meeting and lost; or

   (b) Such Director has given notice in writing to the Company that he is unwilling to be re-elected.

iv. No person other than a retiring Director shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a member has at least seven (7) clear days before the meeting left at the office a notice in writing under his hand, signifying his intention to propose such person for election accompanied by a notice in writing, signed by the person of his willingness to be elected.

v. The Company in General Meeting may at any time or times alter the rotation in which the Directors are to go out of office.

45. Removal of a Director

i. A Director may be removed in the manner set out in the Act.

ii. Notwithstanding any provision to the contrary in These Presents, not less than twenty one (21) Working Days prior written notice of a general meeting of shareholders called for the purpose of removing a Director, or for purposes that include the removal of a Director, shall be given to shareholders by the Company.

46. Board's Power to Fill Casual Vacancy

i. Subject to the provisions of the Statutes the Board shall have the power to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by These Presents and subject to the composition of the Board referred to in Article 37.

ii. Subject to the provisions of the Statutes, any Director so appointed shall hold office until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

47. Powers and Duties of Directors

i. Subject to Section 185 of the Act, which relates to major transactions, the business and affairs of the Company shall be managed by, or under the direction or supervision of, the Board. The Board shall have all the powers necessary for managing, or for directing and supervising the management of, the business and affairs of the Company.

ii. The Board may delegate to, entrust to and confer upon a committee of Directors or to a Director or to any officer/employee of the Company any of the powers exercisable by it which it is permitted to delegate under Section 186 of the Act, upon such terms and conditions and with such restrictions as it may think fit, either concurrently or to the exclusion of its own powers, and may from time to time revoke, withdraw, alter, or vary all or any of such powers.

iii. The Directors shall perform the duties set out in the Act, and in particular –

(a) each Director shall act in good faith and in what he believes to be the best interests of the Company;

(b) no Director shall act or agree to the Company acting in a manner that contravenes any provisions of the *Statutes or These Presents*.

iv. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of 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 Board under These Presents) and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in it.

48. Alternate Directors

i. Subject to the Statutes and other laws applicable to the Company that relate to the composition of the Board, any Director may at any time, by notice in writing given to the Chairman or the Secretary, nominate any other person qualified in terms of the Statutes other than a Co-Director, to be an alternate Director of the Company to act in his place when such Director is abroad, or when he is unable to perform his functions as a Director due to illness.

ii. The appointment of an alternate Director shall be subject to the approval of the Board.

iii. An Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company, nor be required to hold any share qualification. However, the Board may repay an alternate Director who is not a Director in his own right such reasonable expenses as he may incur in attending and returning from meetings of the Board which he is entitled to attend, or as he may otherwise properly incur in or about the business of the Company. Alternatively, the Board may pay such allowances as it considers proper in respect of such expenses.

iv. An Alternate Director shall (on his giving an address for such notice to be served on him) be entitled to receive notices of all meetings of the Board and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointer as a Director in the absence of such appointer, due to the reasons stated in Article 48 (1) hereof, including the signing of resolutions in writing to be passed by circulation under Article 58 hereof. An Alternate Director who is also a Director in his own right shall be entitled to one (1) vote in his own right as a Director and to an additional vote as an Alternate Director, when he represents his appointer at a Board Meeting or when signing a resolution to be passed by circulation.

v. Subject to Sub-Article 48 (i) hereof, an Alternate Director may be appointed for a specified period or until the happening of a specified event but he shall *ipso facto* cease to be an Alternate Director in any of the following events –

(a) If his appointer ceases for any reason to be a Director. Provided that if any Director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;

(b) If the appointment of the Alternate Director is revoked by his appointer by a notice in writing delivered to the Secretary;

(c) If the Board resolves that the appointment of the Alternate Director be terminated on a date determined by it.

(d) If the Alternate Director becomes subject to any of the provisions of Article 43 hereof which, if he were a Director of the Company, would render his office vacated.

vi. A Director shall not vote on the question of the approval of an Alternate Director to act for him, or on the question of the termination of the appointment of such an Alternate Director under Sub-Article 48 (v) (c). He shall also not be counted to determine the quorum at meetings when such matters are voted on.

49. Disclosure of Age

A Director shall disclose his age to the Company upon reaching the age of 69 years.

50. Procedure at Meetings of Directors

The Board may determine its own procedure to conduct a meeting to the extent that it is not inconsistent with These Presents.

51. Chairman

i. The Directors shall elect one (1) of their number other than an Executive Director to be the Chairman of the Board.

ii. If no Chairman is elected or if at a Meeting of the Board the Chairman is not present within fifteen (15) minutes after the time appointed for the commencement of the meeting, the Directors present may choose one (1) of the Independent Directors present to be the Chairman of the Meeting.

52. Notice of Meetings

i. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, provided that Meetings of the Board shall be held at least twelve times a year and the elapsed time between one meeting and the next shall not exceed 45 days.

ii. A Director may, and the Secretary or in the absence of the Secretary the person deputising for the Secretary if requested by a Director to do so shall, convene a meeting of the Board by giving notice in accordance with this Article.

iii. Not less than seven (07) days notice of a Regular Monthly Board Meeting and in any other case at least twenty-four (24) hours notice shall be given to every Director in Sri Lanka. In respect of Directors outside Sri Lanka such notice may be sent to the address in Sri Lanka given by such Director. Such notice may be served by facsimile or electronically where the Director has provided an electronic address to the Company.

iv. The Secretary shall specify in the said notice whether or not the Meeting called for is a Regular or Special Board Meeting.

v. The agenda of the business to be transacted at the Meeting, and the documents relevant to the business shall be sent, whenever it is possible, with the Notice of Meeting or as soon as possible thereafter.

vi. An irregularity in the Notice of a Meeting is waived if all Directors entitled to receive Notice of the Meeting attend the Meeting without protest as to the irregularity or if all Directors entitled to receive Notice of the Meeting agree to the waiver.

53. Methods of Holding Meetings

A meeting of the Board may be held by a number of the Directors who constitute a quorum either –

(a) all being physically present at a venue, date and time appointed for the meeting; or

(b) all or any one of them being present at different venue/s where the meeting shall be conducted with the use of the telephone, radio, conference television or by any other means of audio or audio and visual instantaneous communication by which all Directors participating and constituting a quorum can simultaneously hear each other or be heard throughout the meeting at a time appointed by notice in writing.

54. Proceedings in Case of Vacancies

i. Subject to the provisions of Article 55 and this Article, Directors may act notwithstanding any vacancies.

ii. In the event however that the number of Directors reduces below the minimum number fixed by These Presents, the continuing Directors or a Director may act for the purpose of filling such vacancies or of summoning general meetings of the Company but not for any other purpose.

iii. In the event that there are no Directors or Director able or willing to act, any two (02) shareholders may summon a general meeting for the purpose of appointing Directors.

55. Quorum

i. Subject to the Statutes, the quorum necessary for the transaction of the business of the Board may from time to time be determined by the Board and, unless so determined to be any other number, shall be four (4). However, more than one half of the number present shall be Non-Executive Directors. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Board.

ii. No business may be transacted at a meeting of Directors if a quorum is not present.

56. Voting

i. Every Director shall be entitled to one (01) vote.

ii. In the event of an equality of votes the Chairman shall be entitled to a second or a casting vote.

iii. (a) A resolution of the Board is passed if it is agreed to by all the Directors present or if a majority of the votes cast on it are in favour of it.

(b) A resolution passed by a majority of the Directors entitled to receive notice of a Board Meeting, at a meeting held in accordance with Article 53 (b) above shall, upon being reduced to writing by the person appointed to do so at such meeting, be as valid and effectual as if the same had been passed at a meeting of Directors held on the day on which, and at the time at which, the meeting was held and at the place where the Chairman was located during the course of that meeting.

iv. A Director present at a meeting of the Board is presumed to have agreed to, and to have voted in favour of a resolution of the Board, unless he or she expressly dissents from or votes against the resolution at the meeting.

57. Minutes of Meetings of Board of Directors

The Board shall ensure that minutes are kept of all proceedings at meetings of the Board. Such Minutes, when confirmed at a meeting of the Board and signed by the Chairman of that meeting, shall be evidence of the proceedings.

58. Circular Resolution

i. A resolution in writing sent to all the Directors entitled to receive notice of a Board Meeting, and assented to by a majority of the Directors, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.

ii. Any such resolution may consist of several documents (including facsimile, electronic or other similar means of communication) in like form, each signed or assented to by one or more Directors.

iii. A resolution in writing signed by the Directors for these purposes may be a facsimile or other electronic transmission, containing a statement that they are in favour of a resolution of the Board on terms set in that document. A resolution in these terms shall be deemed to have been passed at a meeting of the Board at the date and at the time at which the document was last signed by a Director. For the purposes of this regulation two or more separate documents containing statements in identical terms, each of which is signed by one or more Directors shall together be deemed to constitute one document containing a statement signed by the Directors on the respective dates on which they signed the separate document. An electronic communication signifying assent or dissent or digital signature of a Director affixed in a manner that is approved by the Directors for this purpose shall constitute a valid signature.

iv. A copy of any such resolution shall be entered in the minute book of Board proceedings, after the same has been confirmed at a meeting of the Board duly convened and held.

v. A resolution assented to by a majority of the Directors entitled to receive notice of a Board Meeting, at a meeting held in accordance with Article 58 (i) above shall, upon being reduced to writing by the person appointed to do so at such meeting, be as valid and effectual as if the same had been passed at a meeting of Directors held on the day on which and at the time at which the meeting was held and at the place where the Chairman was located during the course of that meeting.

59. Directors' Interests in Transaction/s or Proposed Transaction/s

i. A Director who is interested in a transaction or a proposed transaction/s to which the Company is a party shall disclose that interest in accordance with Section 192 of the Act.

ii. A Director of a Company is interested in a transaction to which the Company is a party, if and only if, the Director –

(a) is a party to or shall or may derive a material financial benefit from the transaction;

(b) has a material financial interest in another party to the transaction;

(c) is a Director, officer or trustee of another party to the transaction or a person who shall or may derive a material financial benefit from the transaction, not being a party or person that is –

(aa) the Company's holding company, being a holding company of which the Company is a wholly-owned subsidiary;

(bb) a wholly-owned subsidiary of the Company; or

(cc) a wholly-owned subsidiary of a holding company of which the Company is also a wholly-owned subsidiary;

(d) is the parent, child or spouse of another party to or person who shall or may derive a material financial benefit from the transaction; or

(e) is otherwise directly or indirectly materially interested in the transaction.

iii. A Director is not deemed to be interested in a transaction to which the Company is a party, if the transaction comprises only of the giving by the Company of security to a third party which has no connection with the Director, at the request of the third party, in respect of a debt or obligation of the Company for which the Director or another person has personally assumed responsibility in whole or in part, under a guarantee, indemnity or by the deposit of a security.

iv. Sub-Articles 59 (i) and 59 (ii) do not apply to any remuneration or other benefit given to a Director in accordance with Section 216 of the Act, or to any insurance or indemnity provided in accordance with Section 218 of the Act.

v. A Director of the Company who is interested in a transaction entered into or to be entered into by the Company, shall not –

(a) vote on a matter relating to the transaction;

(b) attend that part of the meeting of Directors at which a matter relating to the transaction arises and be included among the Directors present at the meeting for the purpose of a quorum;

(c) sign a document relating to the transaction on behalf of the Company; and

(d) do any other thing in his capacity as a Director of the Company in relation to the transaction, as if he were not interested in the transaction.

vi. A Director of the Company who has information in his capacity as a Director or employee of the Company which would not otherwise be available to him, shall not disclose that information to any person or make use of or act on the information, except –

(a) for the purposes of the Company;

(b) as required by law; or

(c) in accordance with Sub-Article 59 (vi).

vii. A Director of the Company may disclose, make use of or act on such information if –

(a) the Director is first authorised to do so by the Board under Sub-Article 59 (vii); and

(b) particulars of the authorisation are entered in the interests register.

viii. The Board may authorise a Director to disclose, make use of or act on information, if it is satisfied that to do so shall not be likely to prejudice the Company.

ix. A Director shall disclose all dealings in shares of the Company in which he has a relevant interest, in accordance with Sections 198, 199 and 200 of the Act.

60. Remuneration of Directors Other Than Executive Directors

i. The aggregate remuneration (to be paid including other benefits to be provided in addition to remuneration) of the Directors other than Executive Directors shall be such sum as the Company in general meeting shall determine, and such remuneration shall be apportioned among the Directors in such manner as the Board shall from time to time determine.

ii. The shareholders may at a General Meeting authorise the Directors to determine the aggregate remuneration for the ensuing year in terms of Article 60 (i) hereof.

iii. The Board may approve the repayment to any Director other than Executive Directors all such reasonable expenses as he may incur in attending and returning from meetings of the Board, its Committees or General Meetings, or which he may otherwise incur in or about the business of the Company, or it may approve the payment to any such Director such allowances as it considers proper in respect of such expenses.

iv. Any Director other than an Executive Director who otherwise performs services, which in the opinion of the Board are outside the scope of the ordinary duties of such Director, may be paid such extra remuneration as the Board may determine. Such remuneration shall be separate from and as such shall not be considered as part and parcel of the remuneration specified in Article 60 (i) hereof.

v. The Board may approve the entering into a contract/s with a Director other than an Executive Director for services which in the opinion of the Board are outside the scope of the ordinary duties of a Director that include the payment of extra remuneration as determined by the Board. Such remuneration shall fall outside the scope of the remuneration referred to in Article 60 (i) hereof.

61. Remuneration of the Executive Directors

The remuneration of Executive Directors (including other benefits to be provided in addition to remuneration) and any compensation for loss of office of Executive Directors shall be determined by the Board.

62. Secretary

Subject to the provisions in the Statutes –

(a) The Company shall at all times have a Secretary.

(b) The Board may appoint the Secretary for such term and on such conditions as it thinks fit and the Board shall have the power to remove the Secretary so appointed.

(c) The Secretary so appointed shall be eligible to be appointed by the Board as the Secretary to the Board, as well.

63. Authentication of Documents

Any Director or the Secretary or the assistant secretary (if any) or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the Constitution of the Company (including Articles of Association) and any resolution passed by the Company or by the Board, and any books, records, documents and accounts relating to the business of the Company and also to certify copies thereof or extracts there from as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.

E. ACCOUNTS AND AUDIT

64. Accounting Records, Financial Statements and Audit

(i) The Board shall, subject to the provisions in the Statutes, ensure that the Company keeps accounting records which –

  (a) correctly record and explain the Company's transactions;

  (b) at any time enable the financial position of the Company to be determined with reasonable accuracy;

  (c) enable the Board to prepare financial statements in accordance with the Act; and

  (d) enable the financial statements of the Company to be readily and properly audited.

ii. The accounting records shall comply with Section 148 (2) of the Act.

iii. The Board shall ensure that within five (5) months after the Reporting date of the Company, financial statements which comply with Section 151 of the Act (and if applicable, group financial statements which comply with Section 153 of the Act) are completed in relation to that balance sheet date and are dated and signed on behalf of the Board by two (2) Directors.

iv. At every Annual General Meeting, the Company shall appoint an auditor in accordance with Section 154 of the Act. An Auditor so appointed is deemed to be re-appointed at the following Annual General Meeting unless –

(a) he is not qualified for reappointment;

(b) the Company resolves at that meeting to appoint another person in his place; or

(c) the Auditor has given notice to the Company that he does not wish to be reappointed.

v. The Board shall, within five (5) months after the Reporting date of the Company, prepare an annual report on the affairs of the Company during the accounting period ending on that date which complies with Sections 166 and 168 of the Act. The Board shall send a copy of the Annual Report to every shareholder not less than fifteen (15) working days before the date fixed for holding the Annual General Meeting of shareholders.

F. LIQUIDATION

65. Resolution to Wind Up the Company Voluntarily

The shareholders may, subject to the provisions of the Statutes, resolve to wind up the Company voluntarily by Special Resolution and shall appoint the liquidator/s in terms of the Statutes.

66. Convening of Meetings of Shareholders During Winding Up

During winding up, a meeting of shareholders may be convened by any contributory or by the liquidators, as the case maybe, in terms of the Act by giving notice in the manner set out herein for convening an Extraordinary General Meeting.

67. Distribution of Surplus Assets

i. The surplus assets of the Company available for distributions to shareholders after all creditors of the Company have been paid, shall be distributed in proportion to the number of shares held by each shareholder, subject to the terms of issue of any shares.

ii. The liquidator may, with the approval of a Special Resolution, divide the surplus assets of the Company among the shareholders in kind. For this purpose he may set such value as he considers fair on any property to be divided, and may determine how the division shall be carried out as between the shareholders or different classes of shareholders.

G. MISCELLANEOUS

68. Documents to be Kept by Company

The Company shall keep at its registered office or at some other place notice of which has been given to the Registrar, all records of the Company in accordance with Section 116 of the Act.

69. Rights of Directors and Shareholders to Documents

i. The Directors of the Company are entitled to have access to the Companys records in accordance with Section 118 of the Act.

ii. A shareholder of the Company is entitled –

(a) to inspect the documents referred to in Sections 119 and 120 of the Act, in the manner specified in Section 121 of the Act; and

(b) to require in writing, copies of or extracts from any document which he may inspect in respect of paragraph (a) of Sub-Article 69 (ii) above, to be furnished to him, within five (05) working days of making such requirement, on payment of any reasonable copying and administrative fee determined by the Company. The fee may be determined by any Director or by the Secretary, subject to any directions from the Board.

70. Notices

i. Where the Company is required to send any document to a shareholder or to give notice of any matter to a shareholder or the holder of any security, it shall be sufficient for the Company to send the document or notice to the registered address of the shareholder or the holder of security by ordinary post or recorded delivery. Any document or notice so sent is deemed to have been received by the shareholder or the holder of security on the day following the dispatch of a properly addressed and prepaid letter containing the document or notice.

ii. A shareholder whose registered address is outside Sri Lanka may give notice to the Company of an address in Sri Lanka to which all documents and notices are to be sent, and the Company shall treat that address as the registered address of the shareholder for all purposes.

iii. A document or notice given by the Company may be sent to the joint holders of a share, by sending it to the holder first named in the Share Register in respect of the share.

iv. Where a shareholder has died or has become bankrupt or insolvent the Company may continue to send all notices and documents in respect of his shares addressed to him at his registered address, notwithstanding that some other person has by reason of the death, bankruptcy or insolvency, become entitled to those shares, or may send any notice or document to an address to which that other person requests the Company to do so.

v. Nothing in These Presents shall preclude the Company from giving notice of any matter to a shareholder or a holder of any security by way of a paid advertisement published in a newspaper published in Sri Lanka or by facsimile or electronically where an electronic address has been provided by the shareholder or holder of any security.

vi. A copy of every notice or document sent to all shareholders or holders of securities shall be sent to the Auditor of the Company.

vii. Where notice is given by advertisement such advertisement shall be published in one each of a Sinhala, Tamil and English national daily newspaper and the date of first such publication in an English newspaper shall be deemed to be the date on which notice is served. Where notice is given by facsimile or electronically, the date of dispatch of the facsimile or electronic message shall be deemed to be the date on which the notice is served.

viii. A certificate in writing signed by any Director, or the Secretary of the Company that the letter, envelope or wrapper containing the notice was so addressed and posted or such facsimile or electronic communication was duly dispatched or a newspaper advertisement was published shall be conclusive evidence thereof.

71. Insurance and Indemnity

i. The Company may indemnify a Director or employee of the Company in the circumstances specified in subsections (2) and (3) of Section 218 of the Act, with the prior approval of the Board.

ii. The Company may effect insurance for a Director or employee of the Company in the circumstances specified in subsection (4) of Section 218 of the Act, with the prior approval of the Board.

iii. For the purposes of this Article, the term 'Director' includes a former Director and the term 'Employee' includes a former employee.

72. Rules of Stock Exchange

Notwithstanding anything to the contrary contained in the Articles of Association of the Company so long as the Company is listed on a Stock Exchange, the Company shall comply with the Rules of a Stock Exchange and the Securities Depository save and except as provided for in Article 6 (i) above.

73. Company Seal and Method of Contracting

i. The Company may enter into contracts or other enforceable obligations in accordance with the provisions set out in Section 19 of the Act.

ii. Such contracts or other enforceable obligations may also be entered into on behalf of the Company by the affixing of its Seal in the presence of two (2) or more Directors, or of one (1) Director and the Secretary, or any one (1) Director and any other person duly authorised by the Board who shall attest the sealing thereof. The Seal of the Company shall not be affixed other than in the manner set out herein.

iii. The Board shall provide for the safe custody of the Seal and the Seal shall only be used by authority of the Board or of a committee of Directors authorised by the Board in that regard.

iv. Where the Board shall so resolve, in the case of Share Certificate/s, Debenture Certificate/s, Loan Stock Certificate/s or any other form of security, letters of allotment and Dividend warrants the signature/s of the persons authorised by the Board to sign such documents may, with the approval and subject to the control of the auditors or the bankers of the Company, be in the form of a signature which is stamped or printed or impressed by manual or mechanical means thereon.

v. The Company may maintain a separate official Seal for use abroad as may be decided by the Board.

74. Application of DFCC Bank (Repeal and Consequential Provisions) Act No. 39 of 2014

The provisions of DFCC Bank (Repeals and Consequential Provisions) Act No. 39 of 2014 shall be applicable to the Company to the extent that is applicable and the provisions of the said Act shall prevail in the event of any conflict with These Presents.

Names, Addresses & Description of Two Shareholders **Signatures**

Cedric Royle Jansz
No. 34 A Lumbini Avenue
Off Pirivena Road
Ratmalana
(Company Director) Sgd.

Arjun Rishya Fernando
Appartment No. 3/4
Victoria Park Mansions
No. 201 Dharmapala Mawatha
Colombo 7
(Company Director) Sgd.

Dated this 24th Day of December 2014

Witness to the above Signatures

Sgd.
S Walatara
Attornewy-At- Law &
Notary Public