

STATE OF BRUNEI  
THE COMPANIES ENACTMENT, 1956

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

STANDARD INSURANCE LIMITED

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PRELIMINARY

1. Unless there be something in the subject or context inconsistent therewith:-

"The Company" means STANDARD INSURANCE LIMITED

"The Enactment" means the Companies Enactment, 1956.

"The office" means the registered office for the time being of the company.

"The register" means the register of members to be kept pursuant to Section 95 of the Enactment.

"Month" means calendar month.

"In writing" means written or printed or partly written and partly printed.

"The seal" means the seal of the Company.

"Special Resolution" has the meaning assigned thereto by Section 116 of the Enactment.

"The Directors" means a quorum of Directors assembled for the business of the Company.

"Shareholder" or "member" means any person, firm, company, corporation or foreign society registered holding shares in the Company's capital.

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

Words importing the masculine gender only shall include the feminine gender.

Words importing persons include corporations.

Subject as aforesaid, any words or expressions defined in the Enactment shall, except where The Subject or context forbids, bear the same meanings in these Articles.

2. The regulations contained in Table 'A' in the First Schedule to the Enactment shall not apply to the Company, except so far as the same are repeated or contained in these Articles.
3. The Directors shall not employ the funds of the Company, or any part thereof, in the purchase of, or in loans upon the security of, shares of the Company, and shall not give any financial assistance for the purpose of or in connection with any purchase of shares in the Company.
4. The Company is to be a private Company, and accordingly:—
  - (a) The number of members for the time being of the Company (exclusive of persons who are in the employment of the Company, and of persons who having been formerly in the employment of the Company, were while in such employment, and have continued after such employment to be members of the Company) is not to exceed fifty, but where two or more persons hold one or more shares in the Company jointly, they shall, for the purposes of this paragraph, be treated as a single member.
  - (b) Any invitation to the public to subscribe for any shares or debentures or debenture stock of the Company is hereby prohibited.
  - (c) The right of transfer shall be restricted as hereinafter provided.

#### **CAPITAL**

5. The share capital of the Company is Five hundred thousand Brunei dollars, divided into five hundred thousand ordinary shares of one Brunei dollar each.
6. The Company shall have power to issue preference shares carrying a right to redemption out of profits or liable to be so redeemed at the option of the Company, and the Directors may exercise such power in any manner they may think fit.
7. Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the ordinary shares in the event of the winding up of the Company, the holders of the ordinary shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares, and all surplus assets thereafter shall belong to the ordinary shares in

proportion to the amount paid up or credited as paid up on such ordinary shares respectively at the commencement of the winding up.

## SHARES

8. The shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons, on such terms and conditions, and either at a premium or at par or (subject to the provisions of the 1956 Enactment) at a discount, and at such times as the Directors think fit, and the Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share, or his legal personal representative. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share.
9. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a court of competent jurisdiction or as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.
10. The Company may exercise the power of paying commissions conferred by Section 46 of the Enactment, provided that the rate per cent on the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the rate of the commission shall not exceed the rate of 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

## CERTIFICATES OF TITLE TO SHARES

11. The Company shall within two months after the allotment of any of its shares, debentures or debenture stock, and within one month after lodgment of the transfer of any of such shares, debentures or debenture stock, complete and have ready for delivery the certificates of all shares, the debentures and the certificates of all debenture stock allotted or transferred, unless the conditions of issue of the shares, debentures or debenture stock otherwise provide. The certificates of title to shares or debenture stock and all debentures shall be issued under the seal of the Company and signed by two Directors or by one Director and the Secretary. Every member shall be entitled to one

certificate for all shares or debenture stock registered in his name, or to several certificates each for a part of such shares or debenture stock. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid up thereon and such other particulars as are required by Enactment.

12. If any certificate be worn out or defaced, then, upon production thereon to the Directors, they may order the same to be cancelled, and may issue a new certificate in lieu thereof; and if any certificate be lost or destroyed, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate subject to the provisions of the Enactment.
13. The certificates of shares or debenture stock and all debentures registered in the names of two or more persons shall be delivered to the person first named on the register in respect thereof unless such joint holders otherwise direct.

#### CALLS

14. The Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the time and at the place appointed by the Directors. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. Fourteen days' notice at the least of any call shall be given, specifying the time and place of payment, and to whom such call shall be paid. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at the rate of Twelve per cent per annum from the day appointed for payment thereof to the time of actual payment, but the Directors may, where they think fit, remit altogether or in part any sum becoming payable for interest under this Article.
15. The Directors may, if they think fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the capital due upon the shares held by him beyond the sums actually called for; and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, may pay interest at such rate as the member paying such sum in advance and the Directors agree upon.

#### FORFEITURE AND LIEN

16. If any member fail to pay any call or instalment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment

remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued thereon and all expenses that may have been incurred by the Company by reason of such non-payment.

17. The notice shall name a day (not being less than the expiration of fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.
18. If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.
19. Any shares so forfeited shall be deemed to be the property of the Company, and the Directors may sell, reallocate or otherwise dispose of the same in such manner as they think fit.
20. Any member whose shares have been forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay, to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of forfeiture.
21. The Directors may at any time before any shares so forfeited shall have been sold reallocated or otherwise disposed of annul the forfeiture thereof upon such conditions as they may think fit.
22. The Company shall have a first and paramount lien upon all the shares other than fully paid shares registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, and upon all dividends from time to time declared in respect of such shares, for his debts, liabilities and engagements, solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and no equitable interest in any share be created except upon the footing and condition that Article 9 hereof is to have full effect. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of such lien thereon.
23. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators, and default shall have been made by him or them in the payment, fulfilment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

24. The net proceeds of any such sale, after payment of the costs of such sale, shall be applied in or towards satisfaction of the debts, liabilities or engagements of such member, and the residue (if any) paid to him, his executors, administrators or assigns.
25. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

#### **TRANSFER AND TRANSMISSION OF SHARES**

26. No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. The instrument of transfer shall be signed both by the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof.
27. The instrument of transfer of any share shall be in writing in the usual common form.
28. The Directors may in their absolute discretion refuse to register any transfer of a share:—
  - (1) When the Company has a lien on the share.
  - (2) When the proposed transferee is a person of whom the Directors do not approve.
  - (3) When the proposed transferee is a bankrupt, infant or person of unsound mind.
  - (4) When the registration of such transfer would or might cause a contravention of Article 4.

The Directors shall not be obliged to assign a reason for any such refusal to transfer a share unless they shall see fit to do so. If the Directors refuse to register a transfer of any shares, they shall within one month after the date on which the transfer was lodged with the Company send to the transferee and transferor notice of the refusal.

29. Every instrument of transfer shall be delivered to the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the shares.

30. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall, on demand, be returned to the person depositing the same.
31. A fee of One Dollar or such smaller sum as the Directors may determine, may be charged for each transfer, and shall, if required by the Directors, be paid before the registration thereof. The transfer books and register of members may be closed during such time as the Directors think fit, not exceeding in the whole thirty days in each year.
32. The executors or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to or interest in the shares registered in the name of such member, and in case of the death of any one or more of the joint registered holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
33. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member, upon producing such evidence as sustains the character in respect of which he proposed to act under this Article or of his title, as the Directors think sufficient, may, with the consent of the Directors (which they shall be under no obligation to give), be registered himself as a member in respect of such shares or, subject to the regulations as to transfer hereinbefore contained, transfer the same to some other person. There shall be paid to the Company in respect of any requisite registration under this Article such fee, not exceeding One Dollar, as the Directors deem fit. This clause is hereinafter referred to as the "transmission clause".
34. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

#### CONVERSION OF SHARES INTO STOCK

35. The Company, by Ordinary Resolution in General Meeting may convert any paid-up shares into stock, and may convert any stock into paid-up shares of any denomination. When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company's capital may be transferred or as near thereto as circumstances will admit: Provided always that the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a dollar shall not be

dealt with, but with power, nevertheless, at their discretion, to waive such rules in any particular case.

36. The stock shall confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at the meeting of the Company, and as regards participation in profits, and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted; but so that none of such privileges and advantages, except the participation in the dividends and profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part of stock as would not if existing in shares, have conferred such privileges or advantages. No preference or other special privileges shall be affected by any such conversion. Save as aforesaid, such of the regulations of the Company as are applicable to paid-up shares apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

#### ALTERATION OF CAPITAL

37. The Company in General Meeting may from time to time increase the capital by the creation of new shares of such amount as may be deemed expedient.
38. The Company may by Ordinary Resolution:—
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (b) Sub-divide its existing shares, or any of them into shares of smaller amount than is fixed by the Memorandum of Association so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
  - (c) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
39. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise.
40. The Company may from time to time by Special Resolution reduce its share capital, any Capital Redemption Reserve Fund or any Share Premium Account in any manner and with and subject to any incident authorised and consent required by law.



## MODIFICATION OF RIGHTS

41. Whenever the capital by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 64 of the Enactment, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of Special Resolution passed at a separate General Meeting of the holders of shares of that class, and all the provisions hereinafter contained as to General Meetings and the right of voting thereat shall mutatis mutandis apply to every such meeting, except that the quorum thereof shall be two persons at least holding or representing by proxy one-third of the issued shares of that class. This clause is not by implication to curtail the power of modification which the Company would have if the clause were omitted.

## BORROWING POWERS

42. The Directors may from time to time, at their discretion, borrow or raise or secure the payment of any sum or sums of money for the purposes of the Company. The Directors may raise or secure the repayment of such moneys upon terms and conditions in all respects as they think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture stock, or any mortgage or other security of the Company constituting a charge upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being.
43. Every bond, debentures or debenture stock, certificate or other instrument for securing the payment of the moneys issued by the Company may be so framed that the moneys thereby secured shall be assignable free from any equities between the Company and the person to whom the same may be issued. Any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and deal with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors, and otherwise.
44. The Company shall comply with the requirements of the Enactment in respect of filing with or delivering to the Registrar such mortgages and charges with the prescribed particulars as are therein mentioned, and with regard to keeping a register of mortgages and charges and specifically affecting any property of the Company and all floating charges on the undertaking of any property of the Company. The fee for inspection of the register of mortgages by any person other than a creditor or member of the Company shall be Fifty cents for each inspection, but the Directors may waive the payment of such fee either in any particular case or generally.

## GENERAL MEETINGS

45. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.
46. All General Meetings other than Annual General Meetings shall be called Extraordinary Meetings.
47. The Directors may, whenever they think fit, convene an Extraordinary Meeting, and Extraordinary Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by Section 113 of the Enactment. If at any time there are not within Brunei sufficient Directors capable of acting to form a quorum any Director or any two members of the Company may convene an Extraordinary Meeting in the same manner as nearly as possible as that in which meeting may be convened by the Directors.

## NOTICE OF GENERAL MEETINGS

48. A meeting called for the passing of a Special Resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than a meeting for the passing of a Special Resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is given and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting to such persons as are, under the Enactment or the Articles of the Company, entitled to receive such notices from the Company.

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 by all the members entitled to attend and vote thereat.

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

## PROCEEDINGS AT GENERAL MEETINGS

50. All business shall be deemed special that is transacted at an Extraordinary Meeting, and also all that is transacted at a General Meeting, with the exception of declaring a dividend, the

consideration of the accounts balance sheets and the ordinary report of the Directors and Auditors, the election of Directors in the place of those retiring and the fixing of the remuneration of the Auditors.

51. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, two members present in person or by proxy shall be a quorum.
52. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members shall be dissolved, in any other case it shall stand adjourn to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half-an-hour from the time appointed for the meeting the members present shall be a quorum.
53. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting of the Company, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Directors present shall elect one of their number to be Chairman of the meeting.
54. If at any meeting no Director is willing to act as Chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the meeting.
55. The Chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
56. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:—
  - (a) by the Chairman; or
  - (b) by at least three members present in person or by proxy or by one member being the registered owner of not less than one-fourth of the issued share capital of the Company.

Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

57. Except as provided in Article 59, if a poll is duly demanded it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
58. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
59. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs, and any business other than that on which a poll has been demanded may be proceeded with pending the taking of the poll.

#### **VOTES OF MEMBERS**

60. Either on a show of hands or upon a poll, every member present in person or by proxy, and not disqualified to vote, shall have one vote for every share held by him.
61. Any person entitled under the transmission clause to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote thereat in respect of such shares.
62. Where there are joint registered holders of any shares any one of such persons may vote at any meeting, either personally or by proxy, in respect of any of such shares as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof. For the purposes of this clause several executors or administrators of a deceased member in whose sole name any shares stand shall be deemed joint holders thereof.
63. Votes may be given either personally or by proxy. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the

appointer is a corporation either under the Common Seal or under the hand of an officer or attorney so authorised.

64. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place specified for that purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
65. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy, unless notice in writing of the death or revocation shall have been received at the office twenty-four hours at least before the meeting, or unless the principal attends the meeting.
66. Every instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances will admit, be in the form or to the effect following:-

**STANDARD INSURANCE LIMITED**

"I  
"of  
"being a member of the abovenamed Company hereby  
"appoint  
"of  
"or failing him,  
"of  
"as my proxy, to vote for me or on my behalf at  
"the (Annual or Extraordinary, as the case may  
"be) General Meeting of the Company held on the  
" day of , 19  
"and at any adjournment thereof.  
"As witness my hand this day  
"of , 19 ".

67. Where it is desired to afford members an opportunity of voting for or against a resolution, the instrument appointing a proxy shall be in the following form, or a form as near thereto as circumstances admit:-

**STANDARD INSURANCE LIMITED**

"I/We  
"of  
"being a member/members of the abovenamed Company  
"hereby appoint  
"of  
"or failing him,

"of  
"as my/our proxy to vote for me/us on my/our  
"behalf at the (Annual or Extraordinary, as the  
"case may be) General Meeting of the Company to  
"be held on the                    day of                    , 19  
"and at any adjournment thereof.  
"Signed this                    day of                    , 19  
"This form is to be used \*in favour of/against  
"the resolution. Unless otherwise instructed,  
"the proxy will vote as he thinks fit".  
"\*Strike out whichever is not desired".

68. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
69. No member shall be entitled to be present or to vote on any question, either personally or by proxy or as proxy for another member, at any General Meeting, or upon a poll, whilst any call or other sum shall be due and payable to the Company in respect of any shares of such member.

#### DIRECTORS

70. The number of Directors shall not be less than two nor more than seven and the first Directors shall be THOMAS KONG CHEE SIONG, WONG NYUK LIN, LO SWEE CHENG and MARVIN KENNETH LO SOON CHENG.
71. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting of the Company but for no other purpose.
72. The Directors shall have power at any time, and from time to time, to appoint any other person as a Director either to fill a casual vacancy or as an addition to the Board. But any Director so appointed shall hold office only until the conclusion of the next General Meeting of the Company and shall be eligible for re-election at such meeting.
73. The Directors shall each be paid out of the funds of the Company by way of remuneration for their services such sum as the Company in General Meeting may from time to time determine. Each Director shall also be reimbursed his reasonable travelling hotel and out-of-pocket expenses in attending meetings of the Directors or members or whilst otherwise employed on the affairs of the Company.
74. The office of a Director shall be vacated:—
  - (a) If he is adjudged an insolvent; or

- (b) If he be found of unsound mind by a Court of competent jurisdiction; or
  - (c) If by notice in writing to the Company, he resigns his office; or
  - (d) If he absents himself from the meetings of Directors for a period of six months without special leave of absence from the other Directors, and they pass a resolution that he has by reason of such absence vacated his office; or
  - (e) If he fails to pay calls made on him in respect of shares held by him within six months from the date of such calls being made; or
  - (f) If, without the consent of the Directors, he or the firm of which he is a partner or any partner of such firm or private company of which he is a member or director, shall enter into any contracts for the sale, purchase, or supply of goods and materials with the Company.
75. A Director may contract with and be interested in any contract or arrangement with the Company, either as vendor, purchaser, lessor, lessee, customer, agent or otherwise, and shall not be liable to account for any profit made by him by reason of any such contract or arrangement provided that the nature of the interest of the Director in such contract or arrangement be declared at a meeting of the Directors as required by and subject to the provisions of Section 147 of the Enactment. Every Director shall be at liberty to vote in respect of any such contract or arrangement in which he is so interested as aforesaid. A Director of this Company may be or become a director of any company promoted by this Company or in which it may be interested as a vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as director or member of such company. A general notice giving at a meeting of the Directors that a Director is a member of any specified firm or company, and is to be regarded as interested in all transactions with that firm or company shall be a sufficient disclosure under this Article as regards such Director and such transactions.

#### ROTATION OF DIRECTORS

76. At each ordinary general meeting of the Company one-third of the Directors for the time being, or if their number is not three or a multiple of three then the number nearest one-third shall retire from office. A retiring Director shall be eligible for re-election.
77. The Company in General Meeting may, subject to the provisions of these Articles, from time to time appoint new Directors and may increase or reduce the number of Directors in office.
78. The Company at any General Meeting at which any Directors retire in manner aforesaid may fill up the vacated offices by

electing a like number of persons to be Directors and without notice in that behalf may fill up any other vacancies.

79. The Company may by Extraordinary Resolution remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by Ordinary Resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.
80. The Company shall keep at its office a register of its Directors in accordance with Section 143 of the Enactment.

#### PROCEEDINGS OF DIRECTORS

81. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Two Directors shall be sufficient to form a quorum for the transaction of business. A Director interested is to be counted in a quorum, notwithstanding his interest. A Director may, and the Secretary at the request of a Director shall, at any time summon a meeting of the Directors. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.
82. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.
83. A meeting of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these presents vested in or exercisable by the Directors generally.
84. The Directors may delegate any of their powers to committees consisting of such one or more of their body as they think fit, and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors.
85. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by the express terms of the appointment of the committee or by any such regulations as aforesaid.



86. All acts done at any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.
87. A resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.
88. If any of the Directors shall hold any other office in the Company, or be called upon to perform extra services, or to make any special exertions in going or residing abroad or otherwise for any of the purposes of the Company, the Company may remunerate the Director or Directors so doing, either by a fixed sum or by a percentage of profits or otherwise, as may be determined by the Directors, and such remuneration may be either in addition to or in substitution for his or their share in the remuneration hereinbefore provided.

#### **DEPUTY DIRECTORS**

89. Each Director shall have the power to nominate any person previously approved by the Board to act from time to time, whether at Board Meetings or otherwise, as Alternate Director in his place during his disability to act as such Director through sickness or absence, and at his discretion to remove such Alternate Director, and on such appointment being made the Alternate Director shall (except as regards remuneration) be subject in all respects to the terms and conditions existing with reference to the Directors of the Company, and each Alternate Director, whilst so acting, shall exercise and discharge all the functions, powers and duties of the Director he represents. Any Alternate Director appointed under this Article shall, ipso facto, vacate office if and when the appointer vacates office as a Director or removes the appointee from office. Any appointment and removal under this Article shall be in notice in writing under the hand of the Director making the same.

#### **MANAGING & EXECUTIVE DIRECTORS**

90. The Directors may from time to time appoint one or more or their body to be Managing Director or Managing Directors, Executive Director or Executive Directors of the Company, either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office, and may from time to time, subject to the provisions of any contract between him or them and the Company, remove or dismiss him or them from office and appoint another or others in his or their place or places.
91. A Managing Director or Executive Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of

determining the rotation of retirement of Directors or in fixing the number of Directors to retire, but subject to the provisions of any contract between him and the Company he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall, ipso facto and immediately, cease to be a Managing Director or Executive Director if he ceases to hold the office of Director from any cause.

92. The remuneration of a Managing Director or Executive Director shall, subject to the provisions of any contract between him and the Company, from time to time be fixed by the Directors, and may be by way of salary or commission or participation in profits, or by any or all of these modes, and either in addition to his remuneration as a Director or otherwise.
93. The Directors may from time to time entrust to and confer upon a Managing Director or Executive Director for the time being such of the powers, other than those of making calls or forfeiting shares, exercisable under these presents by the Directors, as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they may think expedient; and they may confer such powers, either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### **POWERS OF DIRECTORS**

94. The management of the business of the Company shall be vested in the Directors, and the Directors may exercise all such powers and do all such acts and things as the Company is, by its Memorandum and Articles of Association or otherwise authorised to exercise and do, and are not hereby or by Statute expressly directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and of these presents, and to any regulations not being inconsistent with these presents from time to time made by the Company in General Meeting. Provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

#### **LOCAL MANAGEMENT**

95. The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether in Brunei or elsewhere in such manner as they think fit, and the provisions containing in the next three following Articles shall be without prejudice to the general powers conferred by this Article and Article 94.
96. The Directors may from time to time, and at any time, establish any Local Boards or Agencies for managing any of the affairs of the Company in any such specified locality, and may appoint any persons to be members of such Local Boards or Managers or

Agents, and may fix their remuneration. The Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than the power of making calls or forfeiting shares and may authorise the members for the time being of any such Local Board or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed and may annul or vary any such delegation.

97. The Directors of the Company shall be ex-officio members of all Local Boards, and may vote at any meetings of such Local Boards, either personally or by proxy, in the same way, with the same rights and powers and to the same effect as a Director of the Company is hereby empowered to do at any meeting of Directors of the Company. When a Director of the Company shall be present at a Local Board he shall act as Chairman, subject to the provisions of Article 82. It shall also be lawful for any other authorised officer of the Company to attend any such Local Board by authority of the Company.

#### APPOINTMENT OF ATTORNEYS

98. The Directors may at any time, and from time to time by power of attorney under the seal, appoint any person or persons to be the attorneys or attorney, of the Company for such purposes and with such powers and discretions (not exceeding those vested in or exerciseable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit, and any such appointment may (if the Directors think fit) be made in favour of the member or any of the members of any Local Board established as aforesaid, or in favour of any company, or of the members, directors, nominees or managers of any company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Directors may think fit. Any such delegates or attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

#### SECRETARY

99. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.
100. A provision of the Enactment or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## THE SEAL

101. The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a Committee of the Directors authorised by the Directors in that behalf and every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

## RESERVE FUND

102. Before recommending any dividend and subject to due provision having been made for any annual payment or payments in respect of any debenture sinking fund or funds, the Directors may (but shall not be under any obligation so to do) set aside out of the reserves to meet depreciation or contingencies, or for special dividends or bonuses, or for equalising dividends, or for repairing, improving and maintaining any property of the Company, or for such other purposes as the Directors shall, in their absolute discretion, think conducive to the interests of the Company, or any of them, and the same may be applied accordingly from time to time in such manner, as the Directors may determine, and the Directors may, without placing the same to reserve, carry over any profits which they may not think it prudent to divide. Subject to Article 3 hereof, the Directors may invest, apply and deal with the several sums so set aside upon such investments and in such manner as they think fit, and from time to time may deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve or reserves into such special funds as they think fit, and may employ the reserve or reserves in the business of the Company, and that without keeping the same separate from the other assets, or in the purchase or redemption of debentures or debenture stock or other incumbrances on the Company's property.

## DIVIDENDS

103. Subject as aforesaid, the profits of the Company which, in respect of each year or other period comprised in the accounts submitted to each Annual General Meeting it shall be determined to distribute, shall be divided equally amongst the members, in proportion to the amount of capital paid up, or credited as paid up, on the shares held by them respectively.
104. Subject as aforesaid, the Company in General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits, and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.
105. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

106. No dividend shall be payable except out of the profits of the Company. Income produced by investments held by or in trust for the Company shall, for the purposes of this Article, be taken into account in ascertaining the profits of the Company. The declaration of the Directors as to the amount of profit earned shall be conclusive.
107. The Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.
108. The Directors may retain the dividends payable on any shares upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
109. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in the case of joint holders, to any one of such joint holders, or, in the case of any person entitled under the transmission clause to transfer any shares, to such person, or if more than one, to such one as the Directors may determine, and any cheque so sent shall be made payable to the order of the person to whom it is sent. No dividend shall bear interest against the Company.
110. The Directors may retain the dividends payable upon shares in respect of which any person is, under the transmission clause, entitled to become a member, or which any person under that clause is entitled to transfer, until such person shall become a member in respect of such shares, or shall duly transfer the same.
111. In case several persons are registered as the joint holders of any shares, any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.
112. A transfer of shares shall not pass the right to any dividend declared thereon after such transfer and before the registration of the transfer.
113. Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets, and may authorise the Directors to do all acts and things necessary or convenient for carrying such distribution into effect, including the sale of any asset which would otherwise be divisible into fractions, and the distribution of the proceeds among the members interested.

#### **CAPITALISATION OF PROFITS**

114. A General Meeting may direct the capitalisation of the whole or any part of the profits of the Company for the time being undivided (including any profits which have been carried to reserve and any accretion to capital values, whether realised or

not): (1) By the distribution among the holders of the ordinary shares and ordinary stock of the Company in proportion to the amounts paid or credited as paid thereon respectively (otherwise than in advance of calls) of paid up shares of the Company; or (2) By crediting any ordinary shares of the Company which may have been issued and are not fully paid upon proportion to the amounts paid or credited as paid thereon respectively (otherwise than in advance of calls), with the whole or any part of the sums remaining unpaid thereon and the Directors shall give effect to such resolution and apply such portion of such profits as may be required for the purpose of making payment in full at par for the shares of the Company so distributed or (as the case may be) for the purpose of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are not fully paid up, provided that no such distribution or payment shall be made unless recommended by the Directors, and where any difficulty arises in regard to the distribution or payment, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, and generally may make such arrangements for the allotment, acceptance and sale of such shares and fractional certificates and otherwise as they may think fit. In cases where some of the ordinary shares of the Company are partly paid only, such capitalisation may be effected by the distribution of further fully paid shares in respect of the fully paid ordinary shares and the ordinary stock, and by crediting the partly paid ordinary shares with the whole or part of the unpaid liability thereon, but so that as between the holders of the fully paid ordinary shares and ordinary payment up of such further shares, and in the extinguishment or diminution of the liability of the partly paid shares shall be so applied pro rata in proportion to the nominal amounts of the ordinary shares and ordinary stock then already fully paid, and the amounts then already paid or credited as paid on the partly paid ordinary shares. Where necessary a proper contract shall be filed in accordance with the provisions of the Enactment, and the Directors may appoint any person to sign such contract on behalf of the members participating in such distribution or whose shares shall be so credited as fully or partly paid, and such appointment shall be effective, and the contract may provide for the acceptance by such members of the shares to be allotted to them respectively, or (as the case may be) of the sums to be credited as paid on the shares then already held by them respectively in satisfaction of their claims in respect of the sum so capitalised. This Article is subject to any special conditions which may be attached to any shares hereafter issued.

115. The Directors shall cause proper books of account to be kept in accordance with Section 121 of the Enactment and particularly with respect to:-
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;

- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

- 116. The books of account shall be kept at the registered office of the Company, or at such other places as the Directors think fit, and shall always be open to the inspection of the Directors during business hours.
- 117. The Directors shall from time to time determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by law or authorised by the Directors, or by a resolution of the Company in General Meeting.
- 118. The Directors shall from time to time, in accordance with Section 122 of the Enactment, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, and reports as are referred to in that section.
- 119. A balance sheet shall be made out in every year and laid before the Company in General Meeting made up to a date not more than six months before such meeting. The balance sheet shall be accompanied by a report of the Directors as to the state of the Company's affairs and the amount which they recommend to be paid by way of dividend and the amount (if any) which they propose to carry to a reserve fund.
- 120. A copy of the balance sheet, shall not less than fourteen days before the meeting, be sent to the persons entitled to receive notices of General Meetings in the manner in which notices are given hereunder.

#### AUDIT

- 121. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Enactment.

#### NOTICES

- 122. A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

123. If a member has no registered address and has not supplied to the Company an address for the giving of notices to him, he shall not be entitled to receive notice of any meeting of the Company.
124. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the shares.
125. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the insolvents or by any like description, at the address if any, supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.
126. Notice of every General Meeting shall be given in any manner hereinbefore authorised to:-
- (a) every member except those members who have not supplied to the Company an address within Brunei for the giving of notice to them.
  - (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency would be entitled to receive notice of the meeting.
  - (c) the auditor for the time being of the Company.

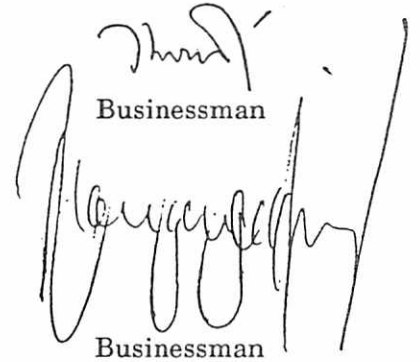
#### INDEMNITY

127. Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses and liabilities (including any such liability as is mentioned in the Enactment), which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no such Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by the Enactment.



NAMES, ADDRESSES AND DESCRIPTIONS OF  
SUBSCRIBERS

THOMAS KONG CHEE SIONG  
No. 61, Jalan McArthur  
BANDAR SERI BEGAWAN



Businessman

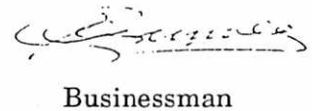
WONG NYUK LIN  
No. 61, Jalan McArthur  
BANDAR SERI BEGAWAN

LO SWEE CHENG  
No. 1313, Jalan Sungai  
KUALA BELAIT, BRUNEI



Businessman

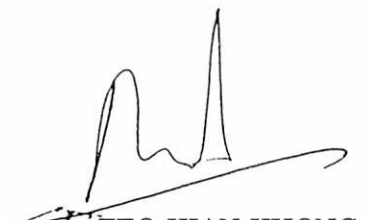
MARVIN KENNETH LO SOON CHENG  
No. 2218 Jalan Bunga Raya  
KUALA BELAIT, BRUNEI



Businessman

Dated this *26th* day of *October*, 1978.

Witness to the above signatures:-



TEO KIAN KHONG  
ADVOCATE  
BRUNEI