



Constitution

Standard Bank (Mauritius) Limited

Constitution Of Standard Bank (Mauritius) Limited A Private Company Limited By Shares

1. Constitution Of The Company

This Constitution, which modifies, adapts and extends as herein provided the provisions of the Act in its application to the Company, amends and restates the Constitution dated 21 March 2018.

2. Definition And Interpretation

2.1. Definitions

In this Constitution, unless the context otherwise requires, the following words and expressions shall have the meanings given to them in this Clause:

Act	means the Companies Act 2001.
Affiliate	means, in relation to the Company, a subsidiary of the Company or a company of which the Company is a subsidiary or a company that is under the common control of the Company.
Alternate Director	means a Director appointed pursuant to Clause 23.8
Amalgamation	means the completed act of the Company and one or more other companies amalgamating pursuant to Sections 244 to 252 of the Act and continuing as one company, which may be one of the amalgamating companies or a new company.
Banking Act	Means the Banking Act 2004 including any regulations or guidelines made thereunder, as may be amended from time to time, including any legislation that replaces the Banking Act.
Annual Meeting	means a meeting of Shareholders held pursuant to Section 115 of the Act.
Balance Sheet Date	means the date adopted by the Company as the end of its financial year for the purpose of its annual financial statements.
Board	means the Directors numbering not less than the required quorum acting together as the Board of Directors of the Company.
Call	means a resolution of the Board under Clause 12 requiring Shareholders to pay all or part of the unpaid amount of the issue price of any Shares and, where the context requires, means the obligation of a Shareholder to meet the amount due pursuant to such a resolution.
Central Bank	means the Bank of Mauritius established under the Bank of Mauritius Act 2004 as may be amended from time to time
Class and Class of Shares	means a Class of Shares having attached to them identical rights, privileges, limitations, and conditions.
Company	means Standard Bank (Mauritius) Limited.
Constitution	means this Constitution of the Company as amended from time to time.
Director	means, subject to Section 128 of the Act, a person appointed and continuing in office for the time being, in accordance with this Constitution, as a Director of the Company.

Distribution	in relation to Shares held by a Shareholder, means the direct or indirect transfer of money or property by the Company, to or for the benefit of that Shareholder; or the incurring of a debt by the Company to or for the benefit of a Shareholder, whether by means of a purchase of property, the redemption or other acquisition of Shares, a Distribution of indebtedness or by some other means.
Dividend	means a Distribution by the Company other than a Distribution to which section 68 (acquisition of Company's own Shares) or section 81 (financial assistance in acquisition of company's shares) of the Act applies.
General Meeting	means any meeting of Shareholders, other than an interest group meeting.
Interests Register	means a register kept by the Company at its registered office as required by section 190(2)(c) of the Act.
Major Transaction	shall have the meaning given to it in section 130 of the Act
Month	means a calendar month.
Ordinary Resolution	means a resolution approved by a simple majority of the votes of those Shareholders entitled to vote and voting on the matter which is the subject of the resolution.
Ordinary Share	means a share in the capital of the company having the rights set out in this Constitution.
Registrar	means the Registrar of Companies appointed under section 10 of the Act.
Share	means a share in the share capital of the Company.
Shareholder	means a person: whose name is entered in the Share Register as the holder for the time being of one or more Shares; or until the person's name is entered in the Share Register, a person named as a Shareholder in the application for registration of the Company at the time of incorporation of the Company; or until the person's name is entered in the Share Register, a person who is entitled to have his name entered in the Share Register under a registered amalgamation proposal, as a shareholder in an amalgamated company
Share Register	means the register of Shares required to be maintained by Clause 8.4 of this Constitution and section 91 of the Act.
Signed	means subscribed by a person under his hand with his signature; and includes the signature of the person given electronically where it carries that person's personal encryption
Solvency Test	has the meaning as set out in section 6 of the Act
Special Meeting	means any meeting (other than an Annual Meeting) of the Shareholders entitled to vote on an issue, called at any time by the Board, or by any other person who is authorised by this Constitution or by the Act to call Special Meetings of Shareholders.
Special Resolution	means a resolution of Shareholders approved by a majority of seventy five per cent (75 %) of the votes of those Shareholders entitled to vote and voting on the question.
Unanimous Resolution	means a resolution which has the assent of every Shareholder entitled to vote on the matter which is the subject of the resolution in accordance with Section 106 of the Act.

Unanimous Shareholders' Agreement	means an agreement whereby all Shareholders agree to or concur in any action which has been taken or is to be taken by the Company.
Writing	includes the recording of words in a permanent or legible form and the display of words by any form of electronic or other means of communication in a manner that enables the word to be readily stored in a permanent form and, with or without the aid of any equipment, to be retrieved and read.

2.2. Rules of interpretation

- (a) Words importing the singular include the plural and vice versa.
- (b) A reference to a person includes any firm, company or group of persons, whether corporate or unincorporated.
- (c) Words importing one gender include the other genders.
- (d) Subject to this Clause 2, expressions contained in this Constitution bear the same meaning as specified in the Act at the date on which this Constitution becomes binding on the Company.
- (d) A reference to a Clause means a Clause of this Constitution.
- (e) The Clause headings are included for convenience only and do not affect the construction of this Constitution.

3. Name Of Company

- 3.1 The name of the Company is Standard Bank (Mauritius) Limited.
- 3.2 An application to change the name of the Company may be made subject to approval by way of a Special Resolution.
- 3.3 The Company shall ensure that its name is clearly stated in every written communication sent by, or on behalf of, the Company; and on every document issued or signed by, or on behalf of, the Company and which evidences or creates a legal obligation to the Company.

4. Registered Office

The registered office of the Company will be situated at Level 9, Tower A, 1 CyberCity, Ebene, Mauritius, or in such other place as the Board may, from time to time, determine.

5. Accounting Period

The accounting period shall begin on the 1st January of each year to end on the 31st December of the same year or shall begin and end on such dates as the Board shall determine from time to time.

6. Type And Duration Of Company

The Company shall be a private company limited by shares of unlimited duration.

7. Objects And Capacity

7.1 Objects

The objects of the Company shall be that of :

- (i) conducting banking business; and
- (ii) providing financial services generally, subject to the laws presently in force in the Republic of Mauritius.

7.2 Capacity

Without prejudice to Clause 7.1 but subject to the Act, the Banking Act and any other enactment and the general law, the Company shall have full capacity to carry on and/or undertake any business or activity, to do any act or enter into any transaction both within and outside the Republic of Mauritius.

8. Shares

8.1. Existing Shares

As at the date of adoption of this Constitution, The Company has in issue 40,000,000 Ordinary Shares having a par value of USD 1 each which shares confer upon the holder thereof the rights set out in clause 8.2. The rights attached to the Shares shall otherwise be in accordance with the provisions of this Constitution.

8.2. Rights of existing Shares

Each share in Clause 8.1 will confer upon its holder-

- (a) the right to one vote on a poll at a meeting of the Company on any resolution;
- (b) the right to an equal share in dividends authorised by the Board; and
- (c) the right to an equal share in the distribution of surplus assets of the Company.

8.3. Variation of class rights

- (a) If, at any time, the share capital of the Company is divided into different Classes of Shares, the Company shall not take any action which varies the rights attached to a Class of Shares unless that variation is approved by a Special Resolution, or by consent in Writing of the holders of seventy five per cent (75 %) of the Shares of that Class: All the provisions of this Constitution relating to meetings of Shareholders shall apply "mutatis mutandis" to such a meeting provided however that the necessary quorum shall be the holders of at least one third of the issued Shares of that Class (but so that if, at any adjourned meeting of such holders, a quorum is not present, those Shareholders who are present shall constitute a quorum).
- (b) Where the variation of rights attached to Class of Shares is approved under clause 8.3(a) and the Company becomes entitled to take the action concerned, the holder of a Share of that Class who did not consent to or cast any votes in favour of the resolution for the variation, may apply to the Court for an order under section 178 of the Act, or may require the Company to purchase those Shares in accordance with section 108 of the Act. For the purpose of this clause "variation" shall include abrogation and the expression "varied" shall be construed accordingly.
- (c) A resolution which would have effect of:
 - (i) diminishing the proportion of the total votes exercisable at a General Meeting by the holders of the existing Shares of a Class: or
 - (ii) reducing the proportion of the Dividends or Distribution payable at any time to the holders of existing Shares of a Class; shall be deemed to be a variation of rights of that Class.
- (d) The right conferred upon the holders of shares issued shall not, unless otherwise provided by the terms of the issue of that class, be deemed to be varied or abrogated by the creation or issue of further shares ranking pari passu therewith or the redemption or repurchase of shares of any class by the Company.
- (e) The Company shall within one month from the date of the consent or resolution referred to in Clause 8.3(a) file with the Registrar in a form approved by him the particulars of such consent or resolution.

8.4. Share registers

The Company shall maintain:-

- (a) a share register in accordance with section 91 of the Act, which shall record all the shares issued by the Company and which shall state that there are no restrictions or limitations on their transfer; and
- (b) a register of substantial shareholders in accordance with section 91(2) of the Act, containing the particulars specified in section 91(3) of the Act in respect of every share held by a shareholder or in which directly or indirectly he has an interest.

8.5. Trust not to be registered or recognised

No notice of a trust, whether express, implied, or constructive, may be entered on the share register.

8.6. Fractional Shares

The Company may issue fractions of Shares which shall have corresponding fractional liabilities, limitations, preferences, privileges, qualifications, resolutions, rights and other attributes as those which relate to a whole Share of the same Class of Shares.

9. Share Premium And Reserves

- (a) The Board of Directors shall in accordance with section 48 of the Act maintain a share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of a share.
- (b) There shall be debited to any share premium account on the redemption or share the difference between the par value and the redemption or purchase price provided always that at the discretion of the Board of directors such sum may be paid out of the profits of the Company or, if permitted under the Act, out of the capital.
- (c) Subject to the Banking Act, the Directors may set up any other reserve and carry to the credit of any reserve account such sums as they think proper, which shall, at the discretion of the Directors, be applicable for any purpose to which the reserves may be properly applied and pending such application may at the like discretion either be employed in the business of the Company or be invested in such Investments as the Directors may from time to time think fit.

10. Issuing Of Further Shares

10.1. Board may issue Shares

- (a) Subject to the Act and the Banking Act, the Board may issue Shares (and rights or options to acquire Shares) of any Class at any time, to any person and in such numbers as the Board thinks fit.
- (b) The Board may, subject to the provisions of the Act, issue shares which are redeemable -
 - (i) at the option of the Company; or
 - (ii) at the option of the holder of the share; or
 - (iii) at a specified date;

for a consideration that is-

- (i) specified; or
 - (ii) to be calculated by reference to a formula; or
 - (iii) required to be fixed by a suitably qualified person who is not associated with or interested in the Company
- (c) Notwithstanding Section 55 of the Act and unless the terms of issue of any Class of Shares specifically provide otherwise, the Board may issue Shares that rank (as to voting, Distribution or otherwise) equally with or in priority to, or in subordination to the existing Shares without any requirement that the Shares be first offered to existing Shareholders.
 - (d) If the Board issues Shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares, and if the Board issue Shares with different voting rights, the designation of each Class of Shares, other than those with most favorable voting rights, shall include the words "restricted voting" or "limited voting".

10.2. Consideration for issue of Shares

- (a) Subject to Clause 10.2 (b), before the Board issues Shares it must:
 - (i) determine the amount of the consideration for which the Shares will be issued and the terms on which they will be issued;
 - (ii) if the Shares are to be issued for consideration other than cash, determine the reasonable present cash value of the consideration for the issue and ensure that the present cash value of that consideration is fair and reasonable to the Company and is not less than the amount to be credited in respect of the Shares; and
 - (iii) resolve that, in its opinion, the consideration for the Shares and their terms of issue are fair and reasonable to the Company and to all existing Shareholders.
- (b) Clause 10.2 (a) shall not apply to the issue of Shares on the conversion of any convertible securities; or the exercise of any option to acquire Shares in the Company.

10.3. Directors' Certificate

- (a) When issuing Shares for consideration other than cash, any one of the Directors or his agent authorised in writing shall sign a certificate:
 - (i) stating the present cash value of the consideration and the basis for assessing it;
 - (ii) that the present cash value of the consideration is fair and reasonable to and to all existing Shareholders; and
 - (iii) that the present cash value of the consideration is not less than the amount to be credited in respect of the Shares.
- (b) A copy of the certificate given under Clause 10.3 (a) shall be filed with the Registrar within fourteen (14) days of its signature.

10.4. Amount owing on issue of Shares

Where money or other consideration is due at a fixed time to the Company on Shares in accordance with their terms of issue, that amount shall not be treated as a Call and no notice shall be required to be given to the Shareholder (or other person liable under the terms of issue) before the Company may enforce payment of the amount due.

11. Lien

11.1 First and Paramount Lien

The Company shall have a first and paramount lien and privilege on all the shares (not being fully paid shares) registered in the name of a Member (whether solely or jointly with others) for his debts, liabilities and engagements, either alone or jointly with any other person, whether a Member or not, to or with the Company, whether the period for the payment or discharge thereof shall have actually arrived or not. Such lien shall extend to all dividends from time to time declared in respect of such shares.

11.2 Power of Sale

For the purpose of enforcing such lien the Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been served on the holder for the time being of the shares or the person entitled by reason of his death or bankruptcy to the shares. For the purposes of giving effect to any such sale, the Directors may authorise some person to transfer to the purchaser thereof the shares so held.

11.3 Proceeds of sale

The net proceeds of such sale, after payment of the costs of such sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. Calls On Shares

12.1. Board may make calls

The Board may from time to time make such calls as it thinks fit upon the shareholders in respect of any moneys unpaid on their shares and, by the conditions of issue thereof, not made payable at a fixed time or times, and each shareholder shall, subject to receiving at least fourteen (14) working days' written notice specifying the time or times and place of payment, pay to the Company at the time or times and place so specified the amount called. A call may be revoked or postponed as the Board may determine.

12.2. Timing of calls

A call may be made payable at such times and in such amount as the Board may decide.

12.3. Liability of joint holders

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

12.4. Interest

If a sum called in respect of a share is not paid before or on the time appointed for payment thereof, the person from whom the sum is due shall pay interest on that sum from the time appointed for payment thereof to the time of actual payment at the LIBOR from the day appointed for the payment thereof to the time of the actual payment, but the Board shall be at liberty to waive payment of that interest wholly or in part.

12.5. Installments

Any sum which by the terms of issue of a share becomes payable on issue or at any fixed time shall for all purposes be deemed to be a call duly made and payable at the time at which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions hereof relating to payment of interest and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.

12.6. Differentiation as to amounts

The Board may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

13. Forfeiture Of Shares

13.1. Notice of default

If any person liable therefore fails to pay any call or any installment thereof at the time appointed for payment thereof, The Board may at any time thereafter serve notice on such person requiring payment of the moneys unpaid together with any interest which may have accrued.

13.2. Final payment date

The notice under Clause 13.1. shall name a further day (not earlier than the expiry of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the time appointed, the shares in respect of which the money was owing will be liable to be forfeited.

13.3. Forfeiture

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may be forfeited at any time before the required payment has been made by a resolution of the Board to that effect. Any forfeiture under this Clause shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The provisions of this section as to forfeiture shall apply in the case of non payment of any sum which by the terms of a share becomes due and payable, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

13.4. Sale of forfeited shares

A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board in its sole discretion thinks fit and, at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Board thinks fit.

13.5. Cessation of shareholding

A person whose share has been forfeited shall cease to be a shareholder in respect of the forfeited share, but shall, nevertheless, remain liable to pay to the Company all money which, at the time of forfeiture, was payable by such person to the Company in respect of the share, but that liability shall cease if and when the Company receives payment in full of all such money in respect of the share.

13.6. Evidence of forfeiture

A statutory declaration in writing declaring that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

13.7. Validity of sale

The Company may receive the consideration, if any, given for a forfeited share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of, and such person shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall such person's title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

14. Share Certificates

Every person whose name is entered as a member in the Register of members shall without payment be entitled to a certificate in the form determined by the Directors. Such certificate may be under the seal. All certificates shall specify the share or shares held by that person and the amount paid up thereon.

15. Transfer And Transmission Of Shares

15.1. Freedom to transfer

Subject to the laws of the Republic of Mauritius (including but not limited to the provisions of the Banking Act 2004) and to the provisions of this Constitution, there shall be no restrictions on the transfer of fully paid up shares in The Company and transfers and other documents relating to or affecting the title to any shares shall be registered with The Company without payment of any fee.

15.2. Transmission

- (a) Shares of the Company depending from the estate of a deceased shareholder shall be transferred by the Board to the said shareholder's heirs, legatees, widow or widower, as the case may be, on the Board being satisfied that the party applying for the transfer is entitled thereto; likewise, shares of the Company depending from the bankruptcy or insolvency of a shareholder, or from its winding up, or from a reduction of its share capital, if such shareholder is a company or a partnership, shall be transferred to such persons who shall satisfy the Board of their right to have such transfer in their names.
- (b) Pending the division of shares of the Company depending from the estate and succession of a deceased shareholder, or from the bankruptcy, or insolvency, or winding up or reduction of capital of a shareholder, and the registration thereof in the share register in the name of the party or in the names of the parties respectively entitled thereto, such party or parties shall have to appoint an agent for the purpose of receiving all dividends declared on such shares and of acting as their representative at all meetings of the Company.
- (c) A person becoming entitled to the share by reason of death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were registered as holder of the share, except that he shall not, before being registered as a shareholder in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

15.3. Transfer of shares in pledge

- (a) Subject to the approval of the Central Bank, any share or debenture may be given in pledge in all civil and commercial transactions in accordance with the Code Civil Mauricien,
- (b) The Company shall keep a register in which –
 - (i) the transfer of shares or debentures given in pledge may be inscribed;
 - (ii) it shall be stated that the pledgee holds the share or debenture not as owner but in pledge of a debt the amount of which shall, in the case of a civil pledge, be mentioned.
- (c) A pledge shall be sufficiently proved by a transfer inscribed in the register.
- (d) The transfer shall be signed by the pledger and by the pledgee and by the secretary of the Company.

16. Registration Of Share Transfer

- (a) The Board may, subject to compliance with section 87 to 89 of the Act, refuse or delay the registration of any transfer of any Share to any person, whether that person be an existing Shareholder or not, where:
 - (i) so required by law;
 - (ii) a holder of any such Share has failed to pay on the due date any amount payable thereon either in terms of the issue thereof or in accordance with the Constitution (including any Call made thereon); or
 - (iii) the transfer is not accompanied by such proof as the Board reasonably requires of the right of the transferor to make the transfer;
- (b) Notice of the decision of the Board refusing or delaying a transfer of any Share, the reasons for the refusal, shall be sent to the transferor and the transferee within twenty-eight (28) days of the date on which such transfer was delivered to the Board.

17. Distributions

17.1. Solvency Test

- (a) Subject to section 27 of the Banking Act 2004, the Board may, if it is satisfied on reasonable grounds that the Company will immediately after the Distribution satisfy the Solvency Test and the requirements of the Banking Act in relation to capital adequacy and liquidity, authorise a Distribution by the Company to Shareholders of any amount and to any Shareholders as it thinks fit.
- (b) The Directors who vote in favour of a Distribution shall sign a certificate stating that, in their opinion, the Company will satisfy the Solvency Test immediately after the Distribution.

17.2. Authorising of distributions

Notwithstanding Section 61 of the Act and the other requirements thereof, the Board may authorise a distribution by the Company without the need for any approval by ordinary resolution of the shareholders.

17.3. Shares in lieu of dividends

The Board may issue Shares to any Shareholders who have agreed to accept the issue of Shares, wholly or partly, in lieu of a proposed dividend or proposed future dividends provided that:

- (a) the right to receive Shares, wholly or partly, in lieu of the proposed dividend or proposed future dividends has been offered to all Shareholders of the same Class on the same terms;
- (b) where all Shareholders elected to receive the Shares in lieu of the proposed dividend, relative voting or distribution rights, or both, would be maintained;
- (c) the Shareholders to whom the right is offered are afforded a reasonable opportunity of accepting it;
- (d) the Shares issued to each Shareholder are issued on the same terms and subject to the same rights as the Shares issued to all Shareholders in that Class who agree to receive the Shares; and
- (e) the provisions of section 56 of the Act are complied with by the Board.

18. Dividends

18.1. Deduction of unpaid calls

The Board may deduct from any dividend payable to any shareholder any sums of money, if any, presently payable by such shareholder to the Company on account of calls or otherwise in relation to the shares on which such dividends are payable.

18.2. Payment

Any dividend, interest or other money payable in cash in respect of shares may be paid by (1) crossed cheque or warrant sent through the post directed to the registered address of the holder, or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the share register or to such person and to such address as the holder or joint holders may in writing direct or (2) by wire transfer as per payment instructions given by the holder or joint holders as the case may be in writing. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other money payable in respect of the shares held by them as joint holders.

18.3. No interest

No dividend shall bear interest against the Company.

18.4. Unclaimed dividends

All dividends unclaimed for one year after having been authorised may be invested or otherwise made use of by the Board for the benefit of the Company until claimed, and all dividends unclaimed for five years after having been declared may be forfeited by the Board for the benefit of the Company. The Board may, however, annul any such forfeiture and agree to pay a claimant who produces evidence of entitlement to the Board's satisfaction of the amount of its dividends forfeited unless in the opinion of the Board such payment would embarrass the Company.

18.5. Dividends on shares not fully paid up to be paid pro rata

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends on shares not fully paid up shall be authorised and paid in proportion to the amount paid to the Company in satisfaction of the liability of the shareholder to the Company in respect of the shares either under this constitution of the Company or pursuant to the terms of issue of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for these purposes as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.

19. Acquisition Of Company's Own Shares

Subject to the Banking Act, the Company is hereby expressly authorised to purchase or otherwise acquire its shares in accordance with, and subject to, sections 68 to 74, 106 and 108 to 110 of the Act, and may hold the acquired shares in accordance with Section 72 of the Act.

20. Reduction Of Stated Capital

The Company may, to the extent provided by the provisions of Section 62 of the Act but always subject to the Banking Act, by special resolution, reduce its stated capital to such amount as it thinks fit.

21. Exercise Of Powers Reserved To Shareholders

21.1. Powers reserved to Shareholders

- (a) Powers reserved to Shareholders of the Company by the Act or by this Constitution may be exercised:
 - (i) at a General Meeting; or
 - (ii) by a resolution in lieu of a meeting pursuant to Clause 22.3; or
 - (iii) by a Unanimous Resolution.
- (b) Unless otherwise specified in the Act or this Constitution, a power reserved to Shareholders may be exercised by an Ordinary Resolution.

21.2. Special Resolutions

When Shareholders exercise a power to approve any of the following, that power may only be exercised by a Special Resolution:

- (a) an alteration to or revocation of this Constitution or the adoption of a new Constitution;
- (b) a Major Transaction;
- (c) an Amalgamation; and
- (d) the liquidation of the Company.

Any decision made by Special Resolution pursuant to this Clause may be rescinded only by a Special Resolution, provided that a resolution to put the Company into liquidation cannot be rescinded.

21.3. Management review by Shareholders

- (a) The Chairperson of any General Meeting shall give the Shareholders a reasonable opportunity to discuss and comment on the management of the Company.
- (b) A General Meeting may pass a resolution which makes recommendations to the Board on matters affecting the management of the Company.
- (c) A resolution relating to the management of the Company passed at a General Meeting (in accordance with Clause 21.3(b)) is not binding on the Board, unless it is carried as a Special Resolution.

21.4. Dissenting Shareholder may require Company to purchase Shares

- (a) A Shareholder may require the Company to purchase his Shares where:
 - (i) a Special Resolution is passed under Clause 21.2(a) for the purposes of altering the Constitution of the Company with a view to imposing or removing a restriction on the business or activities of the Company, or Clause 21.2(b) or (c); and
 - (ii) the Shareholder casts all the votes attached to Shares registered in his name and for which he is the beneficial owner against the resolution; or
 - (iii) where the resolution to exercise the power was passed under section 117 of the Act, the Shareholder did not sign the resolution.
- (b) A request under Clause 21.4(a) shall be addressed to the Company by the dissenting Shareholder by notice in Writing within fourteen (14) days of either the passing of the resolution at a General Meeting or the date on which notice of the passing of the written resolution is given to him.
- (c) Upon receiving a notice from a dissenting Shareholder given under Clause 21.4 (b), the Board shall:
 - (i) agree to the purchase of the Shares by the Company from the Shareholder giving the notice; or
 - (ii) arrange for some other person to agree to buy the Shares; or
 - (iii) apply to the Court under section 112 or section 113 of the Act for an order exempting the Company from the obligation to purchase the Shares; or
 - (iv) arrange, before taking the action concerned, for the Special Resolution entitling the Shareholder to give the notice, to be rescinded by a Special Resolution, or decide in the appropriate manner not to take the action concerned.
- (d) The Board shall within twenty-eight (28) days of receipt of the notice under Clause 21.4 (b) give written notice to the dissenting Shareholder of its decision under Clause 21.4 (c).
- (e) Where the Board agrees to the Company purchasing the Shares, pursuant to Clause 21.4(c)(i), it shall do so in accordance with section 110 of the Act.

22. General Meetings

22.1. Annual Meetings

- (a) The Board shall call an Annual Meeting of Shareholders to be held:
 - (i) not more than once in each year;
 - (ii) not later than six (6) months after the Balance Sheet Date of the Company; and
 - (iii) not later than fifteen (15) months after the previous Annual Meeting.

- (b) The business to be transacted at an Annual Meeting shall, unless already dealt with by the Company, include:
- (i) the consideration and approval of the financial statements;
 - (ii) the receiving of any auditor's report;
 - (iii) the consideration of the annual report;
 - (iv) the appointment of any Directors including those whose annual appointment is required by the Act;
 - (v) the appointment of any auditor pursuant to Section 195 of The Act; and
 - (vi) the remuneration of any Director and of the auditor.

22.2. Special Meetings

A Special Meeting may be called at any time by the Board and shall be so called on the written request of any Shareholder or Shareholders holding Shares carrying together not less than five per cent (5%) of the voting rights entitled to be exercised on the issue.

22.3. Resolution in lieu of meeting

Anything that may be done by the Company in General Meeting under the Act or this Constitution may be done by a resolution in lieu of meeting in the manner provided for by section 117 of the Act.

22.4. Procedure

The procedure for meetings of Shareholders shall be in accordance with the Fifth Schedule of the Act.

23. Appointment And Removal Of Directors

23.1. Number of Directors.

Subject to section 18 and Part VI of the Banking Act 2004, the Board shall consist of not less than SEVEN (7) Directors.

23.2. Appointment of Directors - Generally

- (a) At each Annual Meeting of the Company each Director shall retire from office. Such retirement shall be effective at the close of the Annual Meeting.
- (b) Retiring Directors shall be eligible for re-election, upon recommendation of the Board.
- (c) Directors hold office until resignation, retirement, disqualification, or removal in accordance with the Act and this Constitution.

23.3. Appointment of Directors by notice

A Director may be appointed by notice in accordance with paragraph 7(a) of the Second Schedule of the Act. Such an appointment takes effect upon receipt of the notice by the Company at its registered office, unless the notice specifies a later time at which the appointment is to become effective.

23.4. Appointment of Directors by resolution

A Director may be appointed by an Ordinary Resolution. Any such resolution must be in respect of the appointment of one Director and must be voted on individually.

23.5. Directors may fill up Casual Vacancy

- (a) The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number fixed in accordance with this Constitution. The Director so appointed shall hold office only until the next following Annual Meeting and shall then be eligible for re-election.
- (b) The continuing Directors shall act notwithstanding any vacancy on the Board. If their number is reduced below the number fixed by, or pursuant to, this Constitution as the minimum number of Directors, the continuing Directors will act only for the purpose of summoning a General Meeting of the Company.

23.6. Disqualification and removal of Directors.

- (a) A person will be disqualified from holding the office of Director if he:
 - (i) is removed by Ordinary Resolution passed at a General Meeting called for that purpose; or
 - (ii) resigns in Writing and is not reappointed in accordance with this Constitution; or
 - (iii) becomes disqualified from being a Director pursuant to section 133 of the Act or section 47 of the Banking Act.
 - (iv) reaches the age of 70 whereupon he shall notwithstanding the foregoing cease to be a Director from the end of the Annual General Meeting of the Company next after his 70th birthday (unless the directors have resolved prior to the convening of the Annual Meeting in question that the director shall not retire at that meeting and a statement to that effect is made in the notice convening that meeting).

- (b) A Director who has less than 5 years' service from the date of appointment as a Director when he reaches the age of 70, may if the directors determine, continue to serve as a Director to complete a period of 5 (five) years' service and upon the completion of the 5 years of service the Director shall cease to be a director from the end of the Annual Meeting after the anniversary of his fifth year in service.

23.7. Shareholding qualification.

A Director shall not be required to hold Shares.

23.8. Alternate Directors

- (a) Every Director may, by notice given in Writing to the Company, appoint any person (including any other Director) who is approved by the majority of the Directors or Alternate Directors to act as an Alternate Director in the Director's place, either generally, or in respect of a specified meeting or meetings at which the Director is not present.
- (b) The appointing Director may, at his discretion, by notice in Writing to the Company, remove his Alternate Director.
- (c) An Alternate Director may, while acting in the place of the appointing Director, present, exercise and discharge all the powers, rights, duties and privileges (but not including the right of acting as Chairperson) of the appointing Director. The Alternate Director shall be subject, in all respects, to the same terms and provisions as those regarding the appointment of his appointing Director, except as regards remuneration and the power to appoint an Alternate Director under this Constitution.
- (d) A Director who is also an Alternate Director shall be entitled, in addition to his own vote, to a separate vote on behalf of the Director he is representing.
- (e) An Alternate Director's shall lapse upon his appointing Director ceasing to be a Director.
- (f) The notice of appointment of an Alternate Director shall include an address for service of notice of meetings of the Board. Failure to give an address will not invalidate the appointment, but notice of meetings of the Board need not be given to the Alternate Director until an address is provided to the Company.
- (g) An Alternate Director shall not be the agent of his appointor, and shall exercise his duties as a Director independently of his appointor.

24. Powers And Duties Of The Board

24.1. Powers of the Board

- (a) Subject to any restrictions in the Act or this Constitution, the business and affairs of the Company shall be managed by or under the direction or supervision of the Board.
- (b) The Board shall have all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company except to the extent that this Constitution or the Act expressly requires those powers to be exercised by the Shareholders or any other person.
- (c) The Board shall moreover have all the powers of the Company as expressed in section 27 of the Act and Clause 7 of this Constitution, including, but not limited to, the power to purchase and sell property, to borrow money and to mortgage, pledge or create charges on its assets and to issue debentures and other securities, whether outright or as security for any debt, liability, or obligation of the Company or of any third party.
- (d) The Board shall have the power to establish such committees as the Board it deems necessary, or as may be required under the Banking Act, to discharge its functions effectively.

24.2. Delegation by Board

- (a) The Board may delegate to a committee of Directors, a Director, an employee of the Company, or any other person, any one or more of its powers, other than the powers provided for under any of the following sections which are listed in the Seventh Schedule to the Act:
 - (i) section 52 (Issue of other shares);
 - (ii) Section 56 (Consideration for issue of shares);
 - (iii) section 57(3) (Shares not paid for in cash);
 - (iv) section 61 (Board may authorise Distribution);
 - (v) section 64 (Shares in lieu of Dividend);
 - (vi) section 65 (Shareholder discount);
 - (vii) section 69 (Purchase of own shares);
 - (viii) section 78 (Redemption at option of Company);
 - (ix) section 81 (Restrictions on giving financial assistance);
 - (x) section 188 (Change of registered office);
 - (xi) section 246 (Approval of Amalgamation proposal);
 - (xii) section 247 (Short form Amalgamation).

- (b) The Board shall be responsible for the exercise of a power by any delegate (where that power is delegated under this Clause 24.2) as if the power had been exercised by the Board, unless the Board:
 - (i) believed on reasonable grounds at all times before the exercise of the power that the delegate would exercise the power in conformity with the duties imposed on the Directors by the Act and this Constitution; and
 - (ii) has monitored, by means of reasonable methods properly used, the exercise of the power by the delegate.

24.3. Directors to act in good faith and in best interests of Company

- (a) The Directors of the Company shall:
 - (i) exercise their powers in accordance with the Act and the Banking Act and with the limits and subject to the conditions and restrictions established by this Constitution;
 - (ii) obtain the authorisation of a General Meeting before doing any act or entering into any transaction for which the authorisation or consent of such Meeting is required by the Act or this Constitution;
 - (iii) exercise their powers honestly, in good faith, in the best interests of the Company and for the respective purposes for which such powers are explicitly or impliedly conferred;
 - (iv) exercise the degree of care, diligence and skill required by the Act and the Banking Act;
 - (v) not agree to the Company incurring any obligation unless the Directors believe at that time, on reasonable grounds, that the Company shall be able to perform the obligation when it is required to do so;
 - (vi) account to the Company for any monetary gain, or the value of any other gain or advantage, obtained by them in connection with the exercise of their powers, or by reason of their position as Directors of the Company, except remuneration, pensions provisions and compensation for loss of office in respect of their directorships of any company which are dealt with in accordance with the Act;
 - (vii) not make use of, or disclose, any confidential information received by them on behalf of the Company as Directors otherwise than as permitted and in accordance with the Banking Act;
 - (viii) not compete with the Company or become a Director or officer of a competing company, unless it is approved by the Company;
 - (ix) where Directors are interested in a transaction to which the Company is a party, disclose such interest;
 - (x) not use any assets of the Company for any illegal purpose or purpose in breach of sub Clauses (i) and (iii), and not do, or knowingly allow to be done, anything by which the Company's assets may be damaged or lost, otherwise than in the ordinary course of carrying on its business;
 - (xi) transfer forthwith to the Company all cash or assets acquired on its behalf, whether before or after its incorporation, or as the result of employing its cash or assets, and until such transfer is effected to hold such cash or assets on behalf of the Company and to use it only for the purposes of the Company;
 - (xii) attend meetings of the Directors with reasonable regularity, unless prevented from so doing by illness or other reasonable excuse;
 - (xiii) keep proper accounting records in accordance with the Act and make such records available for inspection in accordance with the Act; and
 - (ix) comply with the banking laws, guidelines and instructions issued by the Central Bank.

24.4. Major Transactions and other transactions under Section 130 of the Act.

- (a) The Board shall not procure or permit the Company to enter into a Major Transaction unless the transaction is approved by a Special Resolution or contingent on approval by Special Resolution.
- (b) The Board shall not procure or permit the Company to enter into a transaction of the kind contemplated by section 130(3) of the Act unless the transaction is approved by an Ordinary Resolution or contingent on approval by Ordinary Resolution.

25. Proceedings Of The Board

25.1 Save as otherwise provided in this Constitution, the proceeding of the Board shall be in accordance with the Eighth Schedule of the Act.

25.2 Communication by Electronic Medium and Voting and Attending Meetings Through Electronic Medium

Any or all of the Directors of the Board or any members of a Committee of the Board may participate in a meeting of the Board or that Committee by means of any electronic communication including but not limited to a conference telephone, video conferencing or any communication equipment which allows persons participating in the meeting to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum.

26. Remuneration And Other Interests Of Directors

26.1. Authority to remunerate Directors

- (a) The Board if it is satisfied that to do so is fair to the Company, shall approve:
 - (i) the payment of remuneration (or the provision of other benefits) by the Company to a Director for his services as a Director, or the payment of compensation for loss of office; and
 - (ii) the making of loans and the giving of guarantees by the Company to a Director in accordance with section 159 (6) of the Act.
- (b) The Board shall ensure that, forthwith after authorising any payment under Clause 26.1(a), particulars of such payment are entered in the Interests Register, where there is one.
- (c) Notwithstanding the provisions of this Clause, the Shareholders of the Company may, by Unanimous Resolution or by Unanimous Shareholder's Agreement, approve any payment, provision, benefit, assistance or other distribution referred to in section 159 of the Act provided that there are reasonable grounds to believe that, after the distribution, the Company is likely to satisfy the Solvency Test.

26.2. Other offices with Company held by Director

- (a) Any Director may act by himself, or his firm in a professional capacity for the Company; and the Director or the Director's firm will be entitled to remuneration for professional services as if the Director were not a Director. Nothing in this Clause shall authorise a Director or a Director's firm to act as auditor for the Company.
- (b) A Director may hold any other office in the Company (other than the office of auditor), for such period and on such terms (as to remuneration and otherwise) as the Board shall determine.
- (c) Other than as provided in Clause 26.3 a Director shall not be disqualified by virtue of his office from entering into any transaction with the Company. Any such transaction will be valid and enforceable to the same extent as if he was not a Director and not in a fiduciary relationship with the Company. No such Director shall be liable to account to the Company for any profit realised by the transaction by reason of the Director holding that office or of the fiduciary relationship thereby established.

26.3. Notice of interest to be given

- (a) A Director shall, forthwith after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, cause to be entered in the Interests Register, where it has one, and, where the Company has more than one Director, disclose to the Board of the Company:
 - (i) where the monetary value of the Director's interest is able to be quantified, the nature and monetary value of that interest; or
 - (ii) where the monetary value of the Director's interest cannot be quantified, the nature and extent of that interest.
- (b) A Director shall not be required to comply with Clause 26.3(a) where:
 - (i) the transaction or proposed transaction is between the Director and the Company; and
 - (ii) the transaction or proposed transaction is or is to be entered into the ordinary course of the Company's business and on usual terms and conditions.
- (c) For the purposes of Clause 26.3(a), a general notice entered in the Interests Register, where there is one, or disclosed to the Board to the effect that a Director is a Shareholder, Director, officer or trustee of another company or other person and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that Company or person, is a sufficient disclosure of interest in relation to that transaction.
- (d) A failure by a Director to comply with Clause 26.3(a) shall not affect the validity of a transaction entered into by the Company or the Director.

27. Executive Directors

- (a) The Board may appoint a chief executive or any one or more members of the senior management of the Bank to the office of executive Director, for such period and on such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke that appointment.
- (b) Where an executive Director ceases to be a member of the staff of the Bank for any reason whatsoever, his appointment as Director shall automatically lapse.
- (c) An executive Director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration, whether by way of salary, commission or participation in profits, as the Directors may, subject to this Constitution, determine.
- (d) The Directors may entrust to and confer upon the executive Director any of the powers exercisable by them with such restrictions as they think fit, and either generally or, to the exclusion of their own powers, subject to section 131 of the Act, and the directors may revoke, alter, or vary, all or any of these powers.

28. Indemnity And Insurance

28.1. Indemnity of Directors and employees

- (a) The Board shall cause the Company to indemnify a Director or employee of the Company or a related company for costs incurred by him in any proceedings:
 - (i) that relates to liability for any act or omission in his or her capacity as a Director or employee; and
 - (ii) in which judgment is given in his favour or in which he is acquitted or which is discontinued.
- (b) To the extent permitted by law, the Board shall cause the Company to indemnify a Director or an employee of the Company or a related company in respect of:
 - (i) liability to any person other than the Company or a related company for any act or omission in his capacity as a Director or employee; or
 - (ii) costs incurred by the Director or employee in defending or settling any claim or proceedings relating to any liability under Clause 28.1(a) above; not being criminal liability or liability for the breach of section 131 of the Act.

28.2. Insurance of Directors and employees

- (a) The Board may cause the Company to effect insurance for Directors and employees of the Company or a related company in respect of:
 - (i) liability not being criminal liability for any act or omission in his capacity as a Director or employee; or
 - (ii) costs incurred by such Directors or employees in defending or settling any claim or proceedings relating to any such liability; or
 - (iii) costs incurred by a Director or employee in defending any criminal proceedings that have been brought against the Director or employee in relation to any act or omission in that person's capacity as Director or employee, in which he is acquitted or in relation to which a nolle prosequi is entered.
- (b) The Directors who vote in favour of a decision to effect insurance under Clause 28.2(a) shall sign a certificate stating that, in their opinion, the cost of effecting the insurance is fair to the Company.
- (c) The Board shall ensure that particulars of any indemnity given to, or insurance effected for, any Director or employee of the Company or related Company are forthwith entered in the Interests Register.

28.3. Definitions

For the purpose of this Clause 28, "Director" includes a former Director and "employee" includes a former employee.

29. Secretary

29.1. Company to have a secretary

- (a) The Company shall have one or more secretaries (referred to as the "Secretary" in this constitution) to be appointed by the Board from time to time.
- (b) The Secretary shall also be as of right the secretary of the Board.

29.2. Qualifications

No person shall be appointed as Secretary of the Company unless:-

- (a) he is a natural person of full age and capacity ordinarily resident in Mauritius;
- (b) he holds the necessary qualifications specified under Section 165 of the Act; or
- (c) in the case of a firm or corporation, approval has first been obtained from the Registrar for such firm or corporation to act as Secretary of the Company or of companies in general, conformably to the provisions of Section 164 of the Act.

29.3. Vacancy

- (a) The office of Secretary shall not be left vacant for more than three consecutive months at any time.
- (b) If the office of Secretary is vacant for more than three consecutive months, anything required or authorised to be done by or in relation to a Secretary may be done by any officer of the Company authorised generally or specifically for the purpose by the Board.

29.4. Removal from office

The Board may, subject to the provisions of Section 167 of the Act, remove, the Secretary from office.

30. Winding Up

30.1. Distribution of surplus assets

Subject to the terms of issue of any Shares, upon the liquidation of the Company, any assets of the Company remaining after payment of the debts and liabilities of the Company and the costs of liquidation shall be distributed among the holders of Shares in proportion to their shareholding, provided however that a holder of Shares not fully paid up shall receive only a proportionate share of his entitlement being an amount which is in proportion to the amount paid to the Company in satisfaction of the liability of the Shareholder to the Company in respect of the Shares.

30.2. Division in kind

- (a) When assets are distributed, the liquidator may, with the sanction of a Special Resolution, divide in kind amongst the Shareholders the assets of the Company, whether they consist of property of the same kind or not, and may for that purpose set such value as he shall deem fair upon any property to be divided and may determine how the division shall be carried out as between the Shareholders or different Classes of Shareholders.
- (b) The liquidator may, with the like sanction, vest any such assets in such persons for the benefit of contributories as the liquidator, with the like sanction, shall think fit.
- (c) Nothing in this Clause shall require a Shareholder to accept any share or other security on which there is any liability.

31. Common Seal, Authentication Of Deeds And Documents

- (a) The Company may have a seal, known as the common seal, which shall contain the name of the Company.
- (b) The common seal may be affixed to any instrument, deed, act and document, and if not so affixed, the validity of the execution of the instrument, deed, act and document will be determined in accordance with section 181 of the Act.

32. Actions Of Proceedings

The Company may sue and be sued in its corporate name acting by and through the Board or the Secretary provided that the power to sue shall only be exercised by the Secretary after he has been duly authorised thereto by the Board and service of all summonses, process notices and the like shall be valid and effectual if served at the Registered Office of the Company.

33. Notices

33.1. Service

A notice may be served by the Company upon any director or shareholder either personally or by posting it by fast post in a prepaid envelope or package addressed to such director or shareholder at such person's last known address.

33.2. Time of service

A notice shall be deemed to have been served:

- (a) in the case of a person whose last known address is in Mauritius, at the expiration of forty-eight hours after the envelope containing the same was duly posted in Mauritius; and
- (b) in the case of a person whose last known address is outside Mauritius, at the expiration of seven days after the envelope containing the same was duly posted by fast post in Mauritius.

33.3. Proof of service

In proving service it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted with all attached postal charges paid.

33.4. Service on joint holders

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 share register in respect of the share.

33.5. Service on representatives

A notice may be given by the Company to the person or persons entitled to a share in consequence of the death or bankruptcy of a shareholder by addressing it to such person or persons by name or by title or by any appropriate description, at the address, if any, within Mauritius supplied for the purpose by the person or 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 bankruptcy had not occurred.

34. Financial Statements

The Board shall

- (a) cause financial statements accounting, and other records to be kept and filed as required by the Act and the Banking Act;
- (b) makes such filing with the Central Bank as is required by Part V of the Banking Act;
- (c) and shall make available such accounting and other records for inspection in accordance with sections 225 to 228 of the Act.

35. Audit

Auditors shall be appointed and removed and their duties and remuneration regulated in accordance with sections 195 to 208 of the Act and Section 39 and 41 of the Banking Act.

36. Service Of Documents

The service of documents on or by the Company shall be regulated in accordance with sections 323 to 328 of the Act.

37. Alteration Of Constitution

Subject to the approval of the Central Bank, the company in General Meeting shall have power to alter this constitution within the limits and under the conditions imposed by law.