

# **ELMER SANDS LIMITED**

## **Memorandum and Articles Of Association**

As altered by Special Resolution passed on the 27<sup>th</sup> day of November 1995

THE COMPANIES ACTS 1948 and 1967

and

THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION OF  
ELMER SANDS LIMITED

(As altered by Special Resolution passed on the 27<sup>th</sup> day of November 1995)

1. The name of the Company (hereinafter called Elmer Sands Ltd.) is ELMER SANDS LIMITED.

2. The registered office of Elmer Sands Limited will be situated in England.

3. The objects for which Elmer Sands Limited is established are:

(a) To protect and further the rights and interests of the members of Elmer Sands Ltd. in the development and control of the Elmer Sands Estate in the County of Sussex and of Owners of property on the said Estate and in the neighbourhood of the same and to promote games, athletic sports and pastimes of every description and encourage social intercourse between the members of Elmer Sands Ltd..

(b) To establish, maintain and conduct a Social and Sports Club for the accommodation of the members of Elmer Sands Ltd. and their friends and generally to afford to them all the usual privileges, advantages, conveniences and accommodation of a Social and Sports Club.

(c) To acquire by purchase, lease or otherwise any land or grounds forming part or parts of the Elmer Sands Estate including roads, open spaces, the land above high water mark and any rights or interest of any person or persons in the foreshore of the said Estate and to repair and maintain and undertake the control of the breakwaters, embankments and other sea defences of the said estate and the sluices, rifes, ditches, culverts and drainage of the said estate.

(d) To lay out and prepare and maintain lands or grounds of Elmer Sands Ltd. or any part thereof as open spaces, ornamental pleasure grounds or parks and for tennis, golf or other athletic sports or pastimes and to build or otherwise provide, club houses, pavilions, sheds, workshops, garages and other conveniences in connection therewith and to furnish, alter, enlarge, repair, uphold and maintain the same and to permit the same to be used by members of Elmer Sands Ltd. either gratuitously or for payment.

(e) To buy or take on hire, make or provide furniture, utensils, glass, china, plate, books, papers, periodicals, stationery and all other things commonly or conveniently used in connection with a Social or Sports Club.

(f) To buy, provide, make and sell meals, food, drinks (other than intoxicating liquors), provisions and refreshments, tobacco, cigars and cigarettes and all other things commonly consumed in a Club.

(g) To provide all things necessary for Tennis, Bowls, Golf, Boating, Fishing, Swimming and other athletic, aquatic games and pastimes and for billiards, cards and other games and for musical dramatic and other social entertainments and amusements.

(h) To promote and hold either alone or jointly with any other association, club or persons, meetings, competitions and matches, for the playing of tennis, bowls or any other athletic sports or pastimes, and to offer, give or contribute towards prizes, medals and awards therefore, and to promote, give, or support dinners, balls, concerts and other entertainments.

(i) To establish, promote, or assist in establishing or promoting and to subscribe to, or become a member of, any other associations or clubs whose objects are similar or in part similar to the objects of Elmer Sands Ltd., or the establishment or promotion of which may be beneficial to Elmer Sands Ltd. provided that no subscription be paid to any such other association or club out of the funds of Elmer Sands Ltd., except bona fide in furtherance of the objects of Elmer Sands Ltd..

(j) To act as trustee for the members of Elmer Sands Ltd. and as such trustee to receive and hold money in trust for them and therewith to purchase, hold in trust for and supply to the members of Elmer Sands Ltd. intoxicating liquors, tobacco and other things.

(k) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.

(l) To apply for, register, purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which Elmer Sands Ltd. may acquire or propose to acquire.

(m) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which Elmer Sands Ltd. is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for

mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(n) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of Elmer Sands Ltd..

(o) To invest and deal with the moneys of Elmer Sands Ltd. not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

(p) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, Elmer Sands Ltd.), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).

(q) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of Elmer Sands Ltd.'s property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by Elmer Sands Ltd. of any obligation or liability it may undertake or which may become binding on it.

(r) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

(s) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling Elmer Sands Ltd. to carry any of its objects into effect, or for effecting any modification of Elmer Sands Ltd.'s constitution, or for any other purpose which may seem calculated directly or indirectly to promote Elmer Sands Ltd.'s interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice Elmer Sands Ltd.'s interests.

(t) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of Elmer Sands Ltd.'s objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which Elmer Sands Ltd. may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

(u) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

(v) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which Elmer Sands Ltd. has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.

(w) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of Elmer Sands Ltd., or of undertaking any business or operations which may appear likely to assist or benefit Elmer Sands Ltd. or to enhance the value of any property or business of Elmer Sands Ltd., and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

(x) To sell or otherwise dispose of the whole or any part of the business or property of Elmer Sands Ltd., either together or in portions, for such consideration as Elmer Sands Ltd. may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.

(y) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

(z) To remunerate any person, firm or company rendering services to Elmer Sands Ltd. either by cash payment or otherwise as may be thought expedient.

(aa) To distribute among the Members of Elmer Sands Ltd. in kind any property of Elmer Sands Ltd. of whatever nature.

(bb) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of Elmer Sands Ltd., or to contract with any person, firm or company to pay the same.

(cc) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of Elmer Sands Ltd. or its Directors or employees, or may be connected with any town or place where Elmer Sands Ltd. carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served Elmer Sands Ltd., or any company which is a subsidiary of Elmer Sands Ltd. or the holding company of Elmer Sands Ltd. or a fellow subsidiary of Elmer Sands Ltd. or the predecessors in business of Elmer Sands Ltd. or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children

and other relatives and dependants of such persons; to make payments towards insurance including insurance for any Director, officer or Auditor against any liability as is referred to in Section 310(1) of the Act; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing schemes for the benefit of any of the employees of Elmer Sands Ltd. or of any such subsidiary, holding or fellow subsidiary company.

(dd) To procure Elmer Sands Ltd. to be registered or recognised in any part of the world.

(ee) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

(ff) To do all such other things as may be deemed incidental or conducive to the attainment of Elmer Sands Ltd.'s objects or any of them.

AND so that:-

(1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of Elmer Sands Ltd.

(2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and Elmer Sands Ltd. shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Elmer Sands Ltd.

(3) The word "Company" in this Clause, except where used in reference to Elmer Sands Ltd., shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

(4) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the members is limited.

5. Every member of Elmer Sands Ltd. undertakes to contribute to the assets of Elmer Sands Ltd. in the event of the same being wound up during the time that he is a member or within one year afterwards for payment of the debts and liability of Elmer Sands Ltd. contracted before the time at which he ceases to be a member and of the costs charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding twenty five pence.

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF

ELMER SANDS LIMITED

(As adopted by Special Resolution passed on the 27<sup>th</sup> day of November 1995)

1. In these Articles:-

"the Act" means the Companies Act, 1985, but so that any reference to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

WORDS MEANINGS

These presents: These Articles of Association and the regulations of Elmer Sands Ltd. from time to time in force.

Elmer Sands Ltd.: The above named Elmer Sands Limited

The Council: The Council of Management for the time being of Elmer Sands Ltd.

Office: The registered office of Elmer Sands Ltd.

Seal: The Common Seal of Elmer Sands Ltd.

Month: Calendar month

In writing: Written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form.

And 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; and

Words importing persons shall include corporations.

Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these presents become binding on Elmer Sands Ltd. shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

## MEMBERS

2. The provisions of Section 22 of the Act shall be observed by Elmer Sands Ltd., and every member of Elmer Sands Ltd. shall either sign a written application and consent to become a member or sign the register of members on becoming a member.

3. Elmer Sands Ltd. is established for the purposes expressed in the Memorandum of Association.

4. Such persons as the Council shall admit to membership shall be members of Elmer Sands Ltd.

5. The application and consent to become a member referred to in Clause 2 hereof shall be in the following form, or in such other form as the Council shall from time to time prescribe:-

"To the Council of ELMER SANDS LIMITED

"I

"of

"being desirous of becoming a member of Elmer Sands Ltd., hereby apply to "be admitted as a member, thereof, and consent to become a member, "subject to the provisions of the Memorandum and Articles of Association of "the Company.

"I desire to be registered in the register of Members of Elmer Sands Ltd. as "the proprietor of or interested in the premises known as

"on the Elmer Sands Estate.

"(Date)

"(Signature of Applicant)

"(Address)

6. Every member of Elmer Sands Ltd. shall pay such yearly subscriptions as shall from time to time be prescribed by the Council. The current year's subscription shall be payable immediately upon each member joining Elmer Sands Ltd. and thereafter the subscription shall be payable in advance on the 1<sup>st</sup> day of January in every year.

Each member owning more than one house or bungalow on the Estate shall pay a yearly subscription in respect of each such bungalow or house.

Such yearly subscription may be split up and apportioned by the Council between the several objects of Elmer Sands Ltd. or such of the same as shall seem to the Council to be capable of separate assessment of the cost and the Council may at their discretion charge a member only with such portion of the subscription as shall relate to an object from which such member derives benefit. Subject as expressly limited by Article 6A every member shall be entitled to authorise his or her tenants and guests bona fide residing in or visiting such member's house or bungalow in respect of which such yearly subscription shall have been paid, to use the amenities from time to time afforded by Elmer Sands Ltd. for the use of its members in general, so long as they respectively shall be residing in or visiting such member's house or bungalow but a member shall not be entitled to authorise any other person to use such amenities.

6A. In the case of a member who is the proprietor, Director or Manager of a Club, Hotel or Boarding House having available regular sleeping accommodation for more than ten adult persons, such member shall be entitled to authorise only the members of his or her own

personal household, to use the amenities from time to time afforded by Elmer Sands Ltd. for the use of its members in general, and this privilege shall not be extended to the Members of such Club or the guests of such Hotel or Boarding House, except on payment of such increased or additional subscription as shall be determined by the Council not exceeding in respect of each unit or part of a unit of the available regular sleeping accommodation for ten adult persons in such Club, Hotel or Boarding House, one third of the ordinary yearly subscription for the time being payable.

7. If any member shall fail to pay his subscriptions within six months the Secretary shall notify him of the fact and if such subscriptions be not paid within seven days, the Council may resolve that he shall forthwith cease to be a member of Elmer Sands Ltd. or that he shall be deprived of the benefits of membership or any of them until such subscription shall be paid but such member shall be eligible for re-admission upon payment of all arrears due from him while a member, and of the amount of the subscriptions that would have been due from him if he had continued a member up to the time of his re-admission. The Council may however in their absolute discretion waive all or any of the above conditions.

8. Any member may on his own application retire from Elmer Sands Ltd. on giving six months' notice in writing to expire on the 31<sup>st</sup> December in any year thereof to the Secretary and on the expiration of such notice he shall cease to be a member of Elmer Sands Ltd.

9. Any person who ceases to be a member of Elmer Sands Ltd., whether by resignation or otherwise shall nevertheless remain liable for and shall pay to Elmer Sands Ltd. any sums due by him for subscriptions or other moneys due by him to Elmer Sands Ltd.

10. The interest of every member of Elmer Sands Ltd. in its property and assets shall be joint, and shall be neither transmissible nor transferable, but upon a member dying or otherwise ceasing to be a member of Elmer Sands Ltd., his interest in its assets shall pass to the remaining members as an accretion.

#### GENERAL MEETINGS

11. An Annual General Meeting shall be held once in every calendar year at such time and place as may be determined by the Council, provided that every Annual General Meeting shall be held not more than fifteen months after the holding of the last preceding meeting.

12. All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meetings.

13. The Council may call an Extraordinary General Meeting whenever they think fit and Extraordinary General Meetings shall also be convened by such requisitionists as provided by Section 368 of the Act.

14. Subject to the provisions of Sections 378 and 379A of the Act relating to Special Resolutions and Elective Resolutions, fourteen days' notice, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such members of Elmer Sands Ltd. as are under the provisions of these presents entitled to receive notices from Elmer Sands Ltd., but with the consent of all the members entitled to receive notices thereof, a meeting may be convened by such notice and in such manner as these members may think fit. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any member shall not invalidate any resolution passed, or proceeding had, at any meeting.

#### PROCEEDINGS AT GENERAL MEETING

15. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the consideration of the accounts and balance sheet, and the report of the Council, the election of members of the Council and other officers in the place of those retiring by rotation.

16. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided the quorum shall be ten members personally present.

17. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting if convened on the requisition of members, shall be

dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Chairman shall appoint and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum. Two days' notice of the said adjourned meeting shall be given to all members.

18. With the consent of any meeting at which a quorum is present, the Chairman may adjourn a meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

19. The Chairman (if any) of the Council shall preside at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling

to preside, the members present shall choose some member of the Council, or if no such member be present, or if all the members of the Council present decline to take the chair, they shall choose some member of Elmer Sands Ltd. who shall be present to preside.

20. At all General Meetings a resolution put to the vote of the meeting shall be decided on a show of hands by a majority of the members present in person and entitled to vote, unless before or upon the declaration of the result of the show of hands a poll be demanded in writing by the Chairman or by at least twenty members present in person and entitled to vote and unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has been carried or has been carried by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of Elmer Sands Ltd. shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution.

21. If a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner as the Chairman of the Meeting shall direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

22. No poll shall be demanded on the election of the Chairman of a meeting, or on any question of adjournment.

23. In the case of an equality of votes either on a show of hands or at the poll, the Chairman of the meeting shall be entitled to a further or casting vote.

24. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

#### VOTES OF MEMBERS

25. Subject as hereinafter provided, every member shall have one vote, and those members owning more than one bungalow or house on the Estate shall have one vote for each such bungalow and house, provided he shall have duly paid his yearly subscription in respect thereof.

26. Save as herein expressly provided, no person other than a member duly registered, and who shall have paid every subscription and other sum (if any) which shall be due and payable to Elmer Sands Ltd. in respect of his membership 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.

26A. On a poll votes may be given either personally or by proxies; a proxy shall be appointed in writing under hand of the appointer, or if such appointer is a corporation, under its common seal.

26B. No person shall act as a proxy unless he is a member, or unless he is appointed to act at the Meeting as a proxy for a corporation. The instrument appointing him shall be deposited at the registered office of Elmer Sands Ltd. not less than forty eight hours before the time of holding the meeting at which he proposes to vote.

26C. Any instrument appointing a proxy shall be in the following form:-

ELMER SANDS LIMITED

I \_\_\_\_\_ of \_\_\_\_\_  
In the County of \_\_\_\_\_ being a member of Elmer Sands Limited  
hereby appoint \_\_\_\_\_  
of \_\_\_\_\_  
as my proxy to vote for me and on my behalf at the Annual (or Extraordinary, as the case may  
be) General Meeting of the Company, to be held on the \_\_\_\_\_ day  
of \_\_\_\_\_ and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_

COUNCIL OF MANAGEMENT

27. Until otherwise determined by a General Meeting, the number of the members of the Council shall not be less than five nor more than fifteen.

28. The Council may from time to time and at any time appoint any member of Elmer Sands Ltd. as a member of the Council, either to fill a casual vacancy or by way of addition to the Council provided that the prescribed maximum be not thereby exceeded. Any member so appointed shall retain his office only until the next Annual General Meeting but he shall then be eligible for reelection.

29. No person who is not a member of Elmer Sands Ltd. shall in any circumstances be eligible to hold office as a member of the Council.

POWERS OF THE COUNCIL

30. The business of Elmer Sands Ltd. shall be managed by the Council who may pay all such expenses of, and preliminary and incidental to, the provision, formation, establishment and registration of Elmer Sands Ltd. as they think fit, and may exercise all such powers of Elmer Sands Ltd., and do on behalf of Elmer Sands Ltd. all such acts as may be exercised and done by Elmer Sands Ltd., and as are not by the Act or by these presents required to be exercised or done by Elmer Sands Ltd. in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the Act and to such regulations, being not inconsistent with aforesaid regulations or provision, as may be prescribed by Elmer Sands Ltd. in General Meeting but no regulation made by Elmer Sands Ltd. in General Meeting shall invalidate any prior act of the Council which would have been valid if such regulation had not been made.

31. The continuing members of the Council may act notwithstanding any vacancy in their body: provided always that in case the members of the Council shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these presents, it shall be lawful for them to act as the Council for the General Meeting, but not for any other purpose.

32. The Council shall have power to appoint a Secretary to Elmer Sands Ltd. for such term and at such remuneration and upon such conditions as they may think fit and shall have power to remove any person so appointed.

33. The Council may from time to time by resolution appoint a temporary substitute for the Secretary, and any person so appointed shall for all purposes of these presents be deemed during the term of his appointment to be Secretary.

34. The seal of Elmer Sands Ltd. shall not be affixed to any instrument except by the authority of a resolution of the Council and in the presence of at least two members of the Council and of the Secretary and the said members and Secretary shall sign every instrument to which the seal shall be so affixed in their presence, and in favour of any purchaser or person bona fide dealing with Elmer Sands Ltd. such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

35. Cheques on Elmer Sands Ltd.'s bankers, until otherwise from time to time resolved upon by the Council shall be signed by at least one member of the Council and countersigned by the Secretary. Elmer Sands Ltd.'s banking account shall be kept with such banker or bankers as the Council shall from time to time determine.

DISQUALIFICATION OF MEMBERS OF THE COUNCIL

36. The office of a member of the Council shall be vacated:-

(a) If a receiving order is made against him or he makes any arrangement or composition with his creditors;

- (b) If he be found lunatic or become of unsound mind;
- (c) If he ceases to be a member of Elmer Sands Ltd.;
- (d) If by notice in writing to Elmer Sands Ltd. he resigns his office;
- (e) If he ceases to hold office by virtue of any provision of the Act or any provision of statute or law.

#### ROTATION OF MEMBERS OF THE COUNCIL

37. At the Annual General Meeting to be held in every year, one-third of the members of the Council for the time being, or if their number is not a multiple of three, then the number nearest to but not exceeding one-third shall retire from office. A retiring member of the Council shall retain his office until the dissolution or adjournment of the meeting at which his successor is elected or it is determined not to fill his place.

38. The members of the Council to retire shall be those who have been longest in office since their last election or appointment. As between members of equal seniority, the members to retire shall in the absence of agreement be selected from amongst them by lot. The length of time a member has been in office shall be computed from his last election or appointment. A retiring member of the Council having expressed his willingness to be re-elected shall be eligible for re-election without any further proposal or notice.

39. Elmer Sands Ltd. shall, at the meeting at which any member of the Council retire in manner aforesaid, fill up the vacated office of each member by electing person thereto, unless at such meeting it shall be determined to reduce the number of members of the Council.

40. No person not being a member of the Council retiring at the meeting shall unless recommended by the Council for election be eligible for office on the Council at any General Meeting unless within the prescribed time before the day appointed for the meeting there shall have been given to the Secretary notice in writing, by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing, signed by the person to be proposed of his willingness to be elected. The prescribed time above mentioned shall be not less than 28 days.

41. If at any meeting at which an election of members of the Council ought to take place, the places of the retiring members, or some of them, are not filled up the retiring members, or such of them as have not had their places filled up, and are willing to act shall be deemed to have been re-elected unless it shall be determined at such meeting to reduce the number of members of the Council.

42. Elmer Sands Ltd. may from time to time in General Meeting increase or reduce the number of members of the Council, and determine in what rotation such increased or reduced number shall go out of office and may make the appointments necessary for effecting any such increase.

43. Elmer Sands Ltd. may by Extraordinary Resolution remove any member of the Council before the expiration of his period of office and may by an Ordinary Resolution appoint another member in his stead; but any person so appointed shall retain his office so long only as the member in whose place he is appointed would have held the same if he had not been removed.

#### PROCEEDINGS OF THE COUNCIL

44. The Council may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they shall think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined five shall be a quorum. 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.

45. On the request of three members of the Council the Secretary shall, at any time, summon a meeting of the Council by notice served upon the several members of the Council. A member of the Council who is absent abroad shall not be entitled to notice of a meeting.

46. The Council shall from time to time elect a chairman who shall preside at all meetings of the Council at which he shall be present, and may determine for what period he is to hold office, but if no such Chairman be elected or if at any meeting the Chairman be not present within five minutes after the time appointed for holding a meeting, the members of the Council present shall choose someone of their number to be Chairman of the Meeting.

47. A meeting of the members of the Council for the time being at which a quorum is present shall be competent to exercise all the authorities, powers and discretions

by or under the regulations of Elmer Sands Ltd. for the time being vested in the Council generally.

48. In the event of any member of the Council being absent from three consecutive meetings of the Council without in the opinion of the Council furnishing a reasonable excuse therefore the Council may resolve that such member shall retire from the Council and he shall thereupon cease to be a member of the Council.

49. The Council may delegate any of their powers to committees consisting of such member or members of the Council or of Elmer Sands Ltd. as they think fit, and any committee so formed shall conform to any regulations imposed on it by the Council. The meetings and proceedings of any such committee shall be governed by the provisions of these presents for regulating the meetings and proceedings of the Council so far as applicable and so far as the same shall not be superseded by any regulations made by the Council as aforesaid.

50. All acts bona fide done by any meeting of the Council or of any committee of the Council, or by any person voting as a member of the Council, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such member 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 member of the Council.

51. The Council shall cause proper minutes to be made of the proceedings of all meetings of Elmer Sands Ltd. and of the Council and of Committees of the Council, and all business transacted at such meetings, and any such minute of any meeting if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall by conclusive evidence without further proof of the facts therein stated.

52. A resolution in writing signed by all the members for the time being of the Council or of any Committee of the Council shall be as valid and effectual as if it had been passed at a Meeting of the Council or of such Committee duly convened and constituted.

#### ACCOUNTS

53. The Council shall cause proper books of account to be kept with respect to:-

(a) The assets and liabilities of Elmer Sands Ltd..

(b) The sums of money received and expended by Elmer Sands Ltd. and the matters in respect of which such receipts and expenditure take place: and

(c) All sales and purchases of goods by Elmer Sands Ltd..

54. The books of account shall, subject to Section 222 of the Act, be kept at the office, or at such other place or places as the Council shall think fit, and shall always be open to the inspection of the members of the Council.

55. Elmer Sands Ltd. in General Meeting may from time to time make reasonable conditions and regulations as to the time and manner of the inspection by the members of the accounts and books of Elmer Sands Ltd. or any of them and subject to such conditions and regulations the accounts and books of Elmer Sands Ltd. shall be open to the inspection of members at all reasonable times during business hours.

56. Once at least in every year the Council shall lay before Elmer Sands Ltd. in General Meeting an income and expenditure account for the period since the last preceding account together with a balance sheet which shall be accompanied by a report of the Council and a copy of such account, balance sheet and reports shall be sent to every member of Elmer Sands Ltd., every holder of the Company's debentures and all persons entitled to receive notices of General Meetings, in accordance with Section 238 of the Act.

#### NOTICES

57. A notice may be served by Elmer Sands Ltd. upon any member, either personally or by sending it through the post in a prepaid letter, addressed to such member at his registered address as appearing in the register of members.

58. Any member described in the register of members by an address not within the United Kingdom, who shall from time to time give Elmer Sands Ltd. an address within the United

Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but, save as aforesaid, no member other than a member described in the register of members by an address within the United Kingdom shall be entitled to receive any notice from Elmer Sands Ltd.

59. Any notice, if served by first class post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.

#### WINDING UP

60. Subject to the Insolvency Act 1986 Elmer Sands Ltd. shall be wound up voluntarily, whenever a Special Resolution is passed requiring Elmer Sands Ltd. to be so wound up.

61. If Elmer Sands Ltd. shall be wound up the assets remaining after payment of the debts and liabilities of Elmer Sands Ltd., and the costs of liquidation shall be divided equally among those persons who were members of Elmer Sands Ltd. at the commencement of such winding up. The members of Elmer Sands Ltd. may however by Special Resolution vote such sum or sums as they think fit to some other institution or institutions having charitable objects or objects similar to those of Elmer Sands Ltd.