Company No.2 of 1937

THE COMPANIES ACT 1996

A By-Law relating generally to the conduct of the affairs of:-

1st National Bank St. Lucia Limited
BY-LAW NO.1

Be it enacted as the general by-law of 1st National Bank St. Lucia Limited (hereinafter referred to as **THE COMPANY**) as follows:-

1. INTERPRETATION

In this by-law and all other bye-laws of **THE COMPANY**, unless the context otherwise requires:-

(a) " **THE ACT**" means the Companies Act 1996 as from time to time amended and every statute substituted therefor and, in the case of such substitution, any references in **THE BYE-LAWS** of **THE COMPANY** to provisions of **THE ACT** shall be read as references to the substituted provisions therefor in the new statute or statutes;

(b) "**THE ARTICLES**" means, unless qualified:-

(i) the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuation, articles of re-organisation, articles of dissolution, and articles of revival; and

(ii) any statute, letters patent, memorandum of association, certificate of incorporation, or other corporate instrument evidencing the existence of a body corporate continued as a company under this Act.

(c) "**THE BOARD OF DIRECTORS**" means the Board of Directors of 1st National Bank St. Lucia Limited;

(d) "**THE REGULATIONS**" means any Regulations made under **THE ACT**, and every regulation substituted therefor and in the case of such substitution, any references in the by-law of **THE COMPANY** to provisions of **THE REGULATIONS** shall be read as references to the substituted provisions therefor in the new regulations;

(e) "**THE BYE-LAWS**" means any by-law of **THE COMPANY** from time to time in force;

(f) All terms contained in **THE BYE-LAWS** and defined in **THE ACT** or **THE REGULATIONS** shall have the meanings given to such terms in **THE ACT** or **THE REGULATIONS**;

(g) The singular includes the plural and the plural includes the singular; the word "person" includes bodies corporate, companies, partnerships, syndicates, trusts and any association of persons, and the word "individual" means a natural person.

(h) "**OFFICER**" means any member of **THE BOARD OF DIRECTORS** and a member of the **EXECUTIVE** of **THE COMPANY**.

(i) **"EXECUTIVE"** means the Managing Director or General Manager, the Finance Manager, the Operations Manager, the Risk Manager, the Human Resource Manager/Corporate Secretary and such other officer as may be appointed by the **Board of Directors.**

2 REGISTERED OFFICE

The registered office of **THE COMPANY** shall be in Saint Lucia at such address as the directors may fix from time to time by resolution.

3. SEAL

3.1 The common seal of **THE COMPANY** shall be such as the directors may by resolution from time to time adopt. The directors shall provide for the safe custody thereof. The seal shall not be affixed to any instrument except by the express authority of **THE BOARD OF DIRECTORS** and in the presence of at least two directors and the Secretary or of such other person as the directors may appoint for the purpose and these two directors and secretary or other persons as aforesaid shall sign every instrument to which the seal of **THE COMPANY** is so affixed in their presence.

4. DIRECTORS

4.1 Until otherwise determined, the number of directors shall be not less than seven nor more than fifteen.

4.2 Every director shall be the holder in his or her own right of at least one hundred unencumbered shares in the capital of **THE COMPANY**.

4.3 **THE BOARD OF DIRECTORS** shall recommend the remuneration of the directors of **THE COMPANY**.

4.4 Subject to section 75(1) of **THE ACT** a quorum of directors may fill a vacancy among the directors of **THE COMPANY,** except a vacancy resulting from an increase in the number or minimum number of directors or from a failure to elect the number or minimum number of directors required by this **BY-LAW**. In the event that the vacancy is filled, the person so chosen shall be subject to retirement at the same time as if such person had become a director on the day on which the director in whose place he or she is appointed was last elected a director.

4.5 If there is no quorum of directors, or if there has been a failure to elect the number or minimum number of directors required by **THE BYE-LAWS**, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy; and if they fail to call a meeting, or if there are no directors then in office, the meeting may be called by any shareholder.

4.6 At every annual meeting of shareholders one-third of the directors (excluding any Managing Director or any General Manager who is a director) for the time being, shall retire from office, or, if their number is not a multiple of three, then the number nearest to one-third, shall retire. The directors to retire shall be those who have been longest in office since their last election. As between directors of equal seniority in office the directors to retire shall be selected from amongst them by lot. A retiring director shall immediately, or at any future time if still qualified, be eligible for re-election.

4.7 Unless it be resolved to reduce the number of directors, the annual meeting of shareholders at which directors retire shall elect a successor to each retiring director. A retiring director shall remain in office until the close of the meeting notwithstanding the election of his or her successor.

4.8 If at any meeting at which an election of directors ought to take place the places of the vacating directors are not filled, the meeting shall stand adjourned till the same day in the next week normally at the same time and place, and if at the adjourned meeting the places of the vacating directors are not filled, the vacating directors, or such of them as have not had their places filled, shall be deemed to have not had their places filled, and shall be deemed to have been re-elected at the adjourned meeting.

4.9 No one (other than a retiring director) shall be eligible to be a director unless notice in writing that he or she is a candidate for such office shall have been given to **THE COMPANY** by two other shareholders of **THE COMPANY** at least five days before the day of holding the meeting at which the election is to take place.

4.10 A director may at any time give one month's notice in writing to **THE COMPANY** of his or her desire to resign, and at the expiration of such notice his or her office shall be vacated.

4.11 **THE COMPANY** may by ordinary resolution remove any director before the expiration of his or her period of office, and may by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if such person had become a director on the day on which the director in whose place such person is appointed was last elected a director.

4.12 Unless otherwise determined in any special case by a resolution of a meeting of shareholders, the office of a director shall be *ipso facto* vacated in any of the following cases:-

(a) If that person ceases to hold the required qualification, or does not obtain the same within one month from the date of his appointment;

(b) If that person holds any other office or place of profit under **THE COMPANY** except that of Secretary, Managing Director or General Manager or Trustee for debenture holders;

(c) If that person makes any composition with his or her creditors or becomes bankrupt;

(d) If that person is found to be a lunatic or becomes of unsound mind or is of such infirm health as to be incapable of managing his or her affairs;

(e) If that person be convicted of an indictable offence;

(f) If that person absents himself or herself from three successive meetings of directors without leave of absence from **THE BOARD OF DIRECTORS.**

4.13 **THE COMPANY** at a meeting of shareholders may from time to time approve or alter the remuneration, qualification and number of the directors.

5. POWERS AND DUTIES OF DIRECTORS

5.1 The business of **THE COMPANY** shall be managed by the directors, who may pay all expenses incurred in setting up and registering **THE COMPANY** and may exercise all such powers of **THE COMPANY** as are not by **THE ACT**, or by **THE BYE-LAWS** required to be exercised by **THE COMPANY** at a meeting of shareholders, subject nevertheless, to any regulation of **THE BYE-LAWS**, to the provisions of **THE ACT**, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by **THE COMPANY** at a meeting of shareholders; but no regulation made by **THE COMPANY** at a meeting of shareholders shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

5.2 Without prejudice to any of the powers conferred by **THE BYE-LAWS** upon the directors, it is hereby declared that they shall have the following powers, viz.

(a) To purchase or otherwise acquire on behalf of **THE COMPANY** any property, rights or things which **THE COMPANY** may purchase or acquire;

(b) To appoint, remove or suspend any manager, secretary, officer, clerk, agent or servant and to direct and control them, and fix and pay their remuneration;

(c) To enter into negotiations and agreements, contracts (preliminary, conditional or final) and to give effect to, modify, vary or rescind the same;

(d) Subject to section 82(1) of **THE ACT**, **THE BOARD OF DIRECTORS** may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors to be the attorney or attorneys of **THE COMPANY** for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under this **BY-LAW**) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him or her;

(e) To enter into any arrangement with any company, firm, or person carrying on any business similar to that of **THE COMPANY** for mutual concessions, or for any joint working or combination, or for any restriction upon competition, or for any pooling of business or profits that may seem desirable, and to carry the same into effect;

(f) To give, or allow any pension, gratuity, or compensation to any employee of **THE COMPANY** or to that person's widow or widower or children that may appear to the directors just or proper whether such employee, or that person's widow or widower or children, have or have not legal claim upon **THE COMPANY**.

(g) To sanction donations to charity.

(h) To commence and carry on, or defend, abandon or compromise any legal proceedings whatsoever including proceedings in bankruptcy, on behalf of **THE COMPANY** or to refer any claims or demands by or against **THE COMPANY** to arbitration, and to observe and perform the awards, and to accept compositions from or give time to any debtor or contributory owing money to **THE COMPANY**.

(i) To give receipts, releases, and discharges on behalf of **THE COMPANY**.

(j) To invest and deal with any of the moneys of **THE COMPANY** not immediately required for the purposes of its business in such manner as they may think fit, and to vary such investments or realise the amount invested therein.

(k) To give indemnities to any director or other person who has undertaken or is about to undertake any liability on behalf of **THE COMPANY**.

(l) To remunerate any person, rendering services to **THE COMPANY** whether in its regular employment or not, in such manner as may seem fit, whether by cash, salary, bonus, or shares or debentures or by a commission or share of profits, either in any particular transaction or generally, or howsoever otherwise.

(m) To deduct from the dividend payable to any member all such sums of money as may be actually due from that member either solely or jointly to **THE COMPANY** on any account without prejudice to the right of **THE COMPANY** to sue for the balance of such monies or to forfeit any share.

5.3 A director may enter into or be interested in contracts or arrangements with **THE COMPANY** (whether with regard to any such office or place of profit or any such person acting in a professional capacity or as vendor, purchaser or otherwise howsoever) and may have or be interested in dealings of any nature whatsoever with **THE COMPANY** and shall not be disqualified from office thereby. No such contract, arrangement, or dealing shall be liable to be avoided nor shall any director so contracting, dealing or being so interested be liable to account to **THE COMPANY** for any profit arising out of such contract, arrangement, or dealing to which that person is a party or in which that person is interested by reason of that person being a director of **THE COMPANY** or of the fiduciary relationship thereby established. Except as provided in Section 91 of **THE ACT**, a director may not vote as a director in respect of any contract or arrangement in which that person is so interested as aforesaid and shall not be present at the time such matter is considered. Nothing contained in this **BY-LAW** shall authorize a director or any firm with which he or she is associated to act as auditor to **THE COMPANY**.

5.4 A director may be or continue to be or become a director or other officer or servant of, or otherwise be interested in, any other company in which **THE COMPANY** is in any way interested and shall not (in the absence of agreement to the contrary) be liable to account to **THE COMPANY** for any emoluments or other benefits received or receivable by him or her as director, officer, or servant of, or from his or her interest in such other company.

5.5 (a) In accordance with Section 91 of **THE ACT**, a director who is in any way, whether directly or indirectly, interested in a contract with **THE COMPANY** shall declare the nature and extent of his or her interest at the meeting of the directors.

(b) In the case of a proposed contract, the declaration required by this **BY-LAW** to be made by a director shall be made at the meeting of the directors at which the question of entering into the contract is first taken into consideration, or, if the director was not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after he or she becomes so interested in a contract after it is made, the said declaration shall be made at the first meeting of the directors held after the director becomes so interested.

(c) For the purposes of this **BY-LAW**, a general notice given to **THE BOARD OF DIRECTORS** by a director to the effect that such person is a member of a specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that company or firm shall be deemed to be sufficient declaration of interest in relation to any contract so made if the following conditions are satisfied, that is to say that:-

(i) there are stated in the said Notice the nature and extent of the interest of the said director in such company or firm; and

(ii) at the time the question of confirming or entering into any contract is first taken into consideration the extent of his or her interest in such company or firm is not greater than is stated in the Notice; and

(iii) either the Notice is given at the meeting of the directors or the director takes all reasonable steps to ensure that it is brought up and read at the next meeting of the directors after it is given.

5.6 **THE BOARD OF DIRECTORS** shall in accordance with Section 262 of **THE ACT**, retain at the registered office of **THE COMPANY**, a copy of the instrument creating any charge or debenture which requires registration under **THE ACT**.

5.7 **THE BOARD OF DIRECTORS** shall, in accordance with Section 263 of **THE ACT**, keep open for inspection of the creditors and shareholders of **THE COMPANY**, (free of charge) copies of all instruments retained by **THE COMPANY**, pursuant to Section 262 of **THE ACT**.

5.8 **THE BOARD OF DIRECTORS** may exercise or procure the exercise of the voting rights attached to shares in any other company in which **THE COMPANY** is or becomes in any way interested, and may exercise any voting rights to which they are entitled as directors of any such other company in such manner as they shall in their absolute discretion think fit, including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, officers or servants of such other company, and fixing their remuneration as such, and may vote as directors of **THE COMPANY** in connection with any of the matters aforesaid.

6. MEETINGS OF DIRECTORS

6.1 The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. At the request of any director, the Secretary of **THE COMPANY** shall call a meeting of the directors. A director may in any manner waive notice of a meeting of the directors and attendance of a director at a meeting of the directors

shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

6.2 The directors shall from time to time elect, a Chairperson who shall be called the President of **THE COMPANY** and two Vice-Presidents and shall determine the period for which they are to hold office, but the omission to elect a Chairperson shall not invalidate any act done by the directors or a committee of directors. In the absence of the President one of the Vice-Presidents shall preside. In the event of the President and both Vice-Presidents being absent, the meeting shall appoint a Chairperson.

6.3 **THE BOARD OF DIRECTORS** may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulation that may be imposed on them by the directors.

6.4 The quorum necessary for the transaction of the business of the directors shall be a majority of the directors.

6.5 Every question at a meeting of the directors, or of a committee of directors (except where otherwise provided by the directors) shall be determined by a majority of the votes of the directors present, every director having one vote. In case of an equality of votes at any such meeting, the Chairperson thereat shall have a second or casting vote.

6.6 A committee may meet and adjourn as the members thereof shall think proper.

6.7 A resolution determined without any meeting of directors, and evidenced by writing under the hands of all the directors or all the members of the committee, shall be as valid and effectual as a resolution duly passed at a meeting of the directors or of such committee.

6.8 A director may, if all the directors consent, participate in a meeting of directors or of any committee of the directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other and a director participating in such a meeting by such means is deemed to be present at the meeting.

6.9 All acts done by any meeting of the directors or of a committee of directors or by any person acting as a director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such directors or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

7. MANAGING DIRECTOR OR GENERAL MANAGER

7.1 As heretofore, **THE BOARD OF DIRECTORS** may from time to time appoint a Managing Director or General Manager of **THE COMPANY**, and may fix his or her remuneration either by way of salary or commission or by conferring a right to participation in the profits of **THE COMPANY**, or by a combination of two or more of these modes. **THE BOARD OF DIRECTORS** may delegate to such Managing Director or General Manager, full power to manage and direct the business and affairs of **THE COMPANY** (except such matters and duties as by law must be transacted or performed by the directors or by the Shareholders) and to employ and discharge agents and employees of **THE COMPANY** or may delegate to such person, any lesser authority. A Managing Director or General Manager shall conform to all lawful orders given to him or her by the directors of **THE COMPANY** and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of **THE COMPANY**. Any agent or employee appointed by the Managing Director or General Manager may be discharged by the directors.

7.2 Every Managing Director or General Manager shall be liable to be dismissed or removed by the Board of Directors and another individual may be appointed in his or her place. The Board may however enter into any agreement with any individual who is or is about to become a Managing Director or General Manager with regard to the length and terms of his or her employment, so that the remedy of any such individual for any breach of such agreement shall be in damages only, and that individual shall have no right or claim to continue in such office contrary to the will of the directors.

7.3 As heretofore, a Managing Director or General Manager shall not, while he or she continues to hold that office, be liable to retire by rotation and such person shall not be taken into account in determining the rotation, in which the other directors shall retire but such person shall be subject to the same provisions as regards removal and disqualification as the other directors and if such person ceases to hold the office of director for any cause he or she shall *ipso facto* cease to be a Managing Director.

7.4 **THE BOARD OF DIRECTORS** may from time to time entrust to and confer upon the Managing Director or General Manager all or any of the powers of the directors (excepting the power to forfeit shares, borrow money or issue debentures) that they may think fit, but the exercise of all powers by the Managing Director or General Manager shall be subject to such regulations and restrictions as the directors may from time to time make or impose, and the said powers may at any time be withdrawn, revoked or varied.

8. LOCAL MANAGERS

8.1 **THE BOARD OF DIRECTORS** may provide for the local management of **THE COMPANY'S** affairs in any part of the state, in such manner as they shall think fit, either by establishing Local Boards

or Local Agencies, or appointing Managers or Attorneys, or by committing such management to any other company, firm or person residing or carrying on business in the locality where **THE COMPANY'S** affairs are to be carried on; and any Local Boards, Local Agencies, Managers, Attorneys, Company, Firm, or person to whom such management shall be entrusted are hereinafter referred to as "The Local Managers."

8.2 **THE BOARD OF DIRECTORS** may from time to time delegate to the Local Managers any of the powers, authorities and discretions vested in the directors and required to be exercised in the locality in respect of which such local Manager shall be appointed, and may for the purposes aforesaid execute and deliver such powers of attorney as they shall think fit.

8.3 **THE BOARD OF DIRECTORS** may make regulations declaring the manner in which the Local Managers are to exercise the powers, duties, authorities and discretions vested in them, and where the Local Managers consist of two or more persons may empower any one or more of them to act with the concurrence of the other or others of them, and may direct the manner in which and time when meetings of the Local Managers are to be held, and fix the quorum for such meeting, and declare how any vacancy or vacancies in their body is or are to be filled up. The Local Managers shall be bound to conform to all directions or orders given to them by the directors, and shall be bound to keep proper minutes or records of all their transactions in connection with the affairs of **THE COMPANY** and to transmit copies of such minutes or records to the directors not less frequently than once in every calendar month.

8.4 **THE BOARD OF DIRECTORS** may fix and pay the remuneration of the Local Managers in such a manner as they shall think fit, and may remove any Local Managers, and appoint another or others in his or her or their place or places.

9. FOR THE PROTECTION OF DIRECTORS AND OFFICERS

9.1 No director of **THE COMPANY** shall be liable to **THE COMPANY** for:-

(a) the acts, receipts neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity;

(b) any loss, damage or expense incurred by **THE COMPANY** through the insufficiency or deficiency of title to any property acquired by **THE COMPANY** or for or on behalf of **THE COMPANY**;

(c) the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to **THE COMPANY** shall be placed out or invested;

(d) any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, including any person with whom any moneys, securities or effects shall be lodged or deposited;

(e) any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to **THE COMPANY**;

(f) any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trusts or in relation thereto; unless the same happens by or through his or her failure to exercise the powers and to discharge the duties of his or her office honestly and in good faith with a view to the best interests of **THE COMPANY** and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

9.2 The Directors for the time being of **THE COMPANY** shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of **THE COMPANY**, except such as are submitted to and authorised or approved by **THE BOARD OF DIRECTORS**. Nothing herein contained shall relieve a director or officer from the duty to act in accordance with **THE ACT** or **REGULATIONS** made thereunder or relieve that person from liability for a breach thereof.

9.2.1 If any director or officer of **THE COMPANY** is employed by or performs services for **THE COMPANY** otherwise than as a director or officer or is a member of a firm or a shareholder, director or officer or a body corporate which is employed by or performs services for **THE COMPANY**, the fact of that person being a shareholder, director or officer of **THE COMPANY** shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

10. INDEMNITIES TO DIRECTORS AND OFFICERS

10.1 Subject to Section 99 of **THE ACT**, except in respect of an action by or on behalf of **THE COMPANY** to obtain a judgment in its favour, **THE COMPANY** shall indemnify a director or officer of **THE COMPANY**, a former director or officer of **THE COMPANY** or a person who acts or acted at **THE COMPANY'S** request as director or officer of a body corporate of which **THE COMPANY** is or was a shareholder or creditor, and his or her personal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by that person in respect of any civil, criminal or administrative action or proceeding to which that person is made a party by reason of being or having been a director or officer of such Company if:-

(a) That person acted honestly and in good faith with a view to the best interests of **THE COMPANY**; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that person had reasonable grounds for believing that his or her conduct was lawful

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Subject to the provisions of section 107 of **THE ACT**, the annual meeting of the shareholders shall be held on such day in each year and at such time as the directors may by resolution determine at any place within Saint Lucia, or, if all the shareholders entitled to vote at such meeting so agree, outside Saint Lucia.

11.2 Notice of every annual meeting specifying the day, hour and place of the meeting, shall be given not more than thirty (30) days and not less than seven (7) days before the date of the meeting. In the case of special business the notice shall state:- (i) the general nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and (ii) the text of any special resolution to be submitted to the meeting. The notice shall be sent to each shareholder entitled to be present at such meetings and to the auditor; but an accidental omission to send such notice to any shareholder shall not invalidate the proceedings at any general meeting. Whenever any meeting is adjourned or postponed for ten days or more, seven days notice shall be sent in like manner of every such adjourned or postponed meeting; but it shall not be necessary to specify in such notice the nature of the business to be transacted at such adjourned or postponed meeting.

11.3 The notice referred to in **BY-LAW** 11.2 hereof, shall be printed, written or typewritten and shall be given by serving such notice on each shareholder entitled to vote at such meeting, on each director and on the auditor of **THE COMPANY** in the manner specified in **BY-LAW** 26.1 hereof.

11.4 In the case of a meeting at which special business is to be transacted, not more than thirty (30) days and not less than twenty-one (21) days notice thereof shall be sent to the shareholders and the auditor entitled to be present at such meetings and a special resolution shall be passed thereat if at least three-fourths of the shareholders present at the meeting approve the said resolution.

11.5 **THE BOARD OF DIRECTORS** shall, on the requisition of holders of not less than five percent of the issued shares of **THE COMPANY** that carry a right to vote at the meeting requisitioned, forthwith convene a meeting of shareholders, and in the case of such requisition the following provisions shall subject to Section 131 of **THE ACT** have effect:-

(a) The requisition must state the purposes of the meeting and must be signed by the requisitionists and sent to each director and

deposited at the registered office, and may consist of several documents in like form each signed by one or more of the requisitionists.

(b) If **THE BOARD OF DIRECTORS** do not, within twenty-one days from the date of the requisition being so deposited, proceed to convene a meeting, any requisitionist may convene the meeting, but any meeting so convened shall not be held after three months from the date of such deposit.

(c) Unless Section 131(1) of **THE ACT** applies, **THE BOARD OF DIRECTORS** shall be deemed not to have duly convened the meeting if they do not give such notice as is required by **THE ACT** within fourteen days from the deposit of the requisition.

(d) Any meeting convened under this paragraph by the requisitionists shall be called as nearly as possible in the manner in which meetings are to be called pursuant to **THE BYE-LAWS** and Divisions E and F of Part 1 of **THE ACT**.

(e) A requisition by joint holders of shares must be signed by all such holders.

(f) In the case of a special meeting called in pursuance of a requisition, no business other than that stated in the requisition as the objects of the meeting shall be transacted.

(g) Unless the shareholders otherwise resolve at a meeting called under subsection 131(4) of **THE ACT**, **THE COMPANY** shall reimburse the shareholders who requisitioned the meeting, the expenses reasonably incurred by them in requisitioning, calling and holding the meeting.

11.6 Subject to Section 112 of **THE ACT**, the business of an annual meeting of shareholders shall be to consider the financial statements, the report of **THE BOARD OF DIRECTORS** and the report of the auditor if any, to elect directors, to appoint and fix the remuneration of the auditor and to sanction a dividend. All other business transacted at an annual Meeting of shareholders and all business (save as above) transacted at a special meeting, shall be deemed special.

11.7 The agenda for the business of an annual meeting shall include as an agenda item the matters arising out of the minutes of the proceedings of the previous annual meeting of shareholders.

11.8 Thirty (30) shareholders present shall form a quorum. Save as is hereinafter provided, no business shall be transacted at any meeting of shareholders except the election of a Chairperson, unless a quorum of shareholders be personally present at the time when the meeting is prepared to proceed to business.

11.9 If within thirty (30) minutes from the time appointed for the meeting, a quorum of shareholders is not present, the meeting, if convened upon the requisition of shareholders, shall be dissolved. In any other case it shall stand adjourned to the same day in the next two (2) weeks or as otherwise determined by the shareholders, normally at the same time and place, and if at the adjourned meeting, a quorum is not present within thirty (30) minutes of the appointed time, the shareholders present shall constitute a quorum.

11.10 The Chairperson may, with the consent of the meeting, adjourn the same from time to time and from place to place, but every adjourned meeting shall be treated as a prolongation only of the original meeting, and shall only be competent to transact business which might properly have been transacted at the original meeting.

11.11 The Chairperson (if any) of the directors shall preside as Chairperson at every meeting of **THE COMPANY**. If there is no such Chairperson of the directors, or in case that person is not present at the time for holding any meeting, or declines to take the chair, then the senior Vice-President present at such meeting shall preside thereat, and if no Vice-President is present at such meeting, or all the Vice-Presidents present thereat decline to take the chair, then someone of the other directors (if any) present at the meeting shall preside at such meeting. In case no director is present or willing to take the chair, then the shareholders present shall choose someone of their number to be Chairperson of such meeting.

11.12 Minutes of the proceedings of every meeting of shareholders shall be kept and shall be signed by the Chairperson of the same meeting or by the Chairperson of the next succeeding meeting, and the same when so signed and after consideration by the shareholders at the annual meeting of shareholders shall be conclusive evidence of all such proceedings and of the proper election of the Chairperson.

12. VOTING AT MEETINGS OF SHAREHOLDERS

12.1 At any meeting, unless a poll is demanded as hereafter provided, every resolution shall be decided by a show of hands, and in case there shall be an equality of votes the Chairperson of such meeting shall be entitled to a casting vote in addition to the vote to which that person may be entitled as a shareholder. A declaration by the Chairperson that a resolution has been carried, by a sufficient majority or lost as the case may be, and an entry to that effect in the minute book of **THE COMPANY**, shall be conclusive evidence of the fact without proof of the number of votes recorded in favour of or against such resolution.

12.2 If at any meeting a poll is demanded by a shareholder or proxy holder the poll shall be taken in such manner as the Chairperson shall direct, and in such case every shareholder present at the taking of the poll, either personally or by proxy, shall have a number of

votes to which that person may be entitled as hereinafter provided; and in case at any such poll there shall be an equality of votes, the Chairperson of the meeting at which such poll shall be taken shall be entitled to a casting vote in addition to any votes to which he or she may be entitled as a shareholder and proxy. A demand for a poll may be withdrawn by a majority of those demanding a poll.

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

12.4 Every shareholder shall on a poll have one vote for every share in **THE COMPANY** by that person, but no shareholder shall be entitled to more than twenty-five votes.

12.5 A shareholder of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his or her committee, *curator bonis*, or other person in the nature of a committee or *curator bonis*, appointed by that court, and any such committee, *curator bonis* or other person may, on a poll, vote by proxy.

12.6 On a poll, votes may be given either personally or by proxy.

12.7 The instrument appointing a proxy shall be in writing under the hand of the appointer, or of his or her attorney duly authorised in writing, or if such appointer be a corporation either under its common seal or under the hand of an officer or attorney so authorised. A proxy shall have the same rights as the shareholder appointing him or her as defined in Sections 138 and 145 of **THE ACT**. A proxy is valid only at the meeting in respect of which it is given or any adjournment thereof.

12.8 The instrument appointing a proxy and the power of attorney or other authority if any under which it is signed or a notarially certified copy of that power of authority shall be deposited at the registered office of **THE COMPANY** not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

12.9 A person appointed by proxy need not be a shareholder.

12.10 An instrument appointing a proxy may be in the following form, or in any other form which the directors shall approve:
1st National Bank St. Lucia Limited

"I, ... of ..... being a shareholder of the above company, hereby appoint

..... of ..... or failing him/her …….. of …….. my proxy to vote for me and on my behalf at the meeting of shareholders of the above company to be held on ..... the ..... day of ..... and at any adjournment or adjournments thereof.

Signed this ..... day of .....

12.11 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

13. CORPORATION ACTING BY REPRESENTATIVES AT MEETINGS

A corporation being a shareholder of **THE COMPANY** may by instrument in writing under its seal or under the hand of an officer or attorney so authorised or by a resolution of its directors or other governing body appoint any person to act as its representative at any meeting of **THE COMPANY** or at all meetings of **THE COMPANY** until such instrument in writing or resolution be revoked by a similar instrument in writing or resolution and such representative shall be entitled to exercise the same functions on behalf of the corporation which that person represents as if that person had been an individual shareholder of **THE COMPANY**.

14. RESOLUTION IN LIEU OF THE MEETING

Subject to the provisions of **THE ACT**, a resolution in writing signed by all the shareholders for the time being entitled to receive notice of and to attend and vote at meetings of shareholders (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a meeting of shareholders of **THE COMPANY** duly convened and held.

15. DIVIDENDS AND RESERVE

15.1 Subject to the provisions of Sections 51 and 52 of **THE ACT**, **THE BOARD OF DIRECTORS** shall lay before **THE COMPANY** in a meeting of shareholders, a recommendation as to the amount (if any) which they consider should be paid by way of dividend and **THE COMPANY** in an annual meeting of shareholders may sanction what dividend shall be paid, but no dividend shall exceed the amount recommended by **THE BOARD OF DIRECTORS**.

15.2 **THE BOARD OF DIRECTORS** may from time to time pay to the shareholders such interim dividends as appear to the directors to be justified by the profits of **THE COMPANY**.

15.3 No dividend shall be paid otherwise than out of profits.

15.4 Any dividend so sanctioned shall be payable on all shares subject to the rights of the holders of shares created or raised under any special arrangements as to dividend.

15.5 **THE BOARD OF DIRECTORS** may, before recommending any dividend, set aside out of the profits of **THE COMPANY** such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalising dividends, or for any other purpose to which the profits of **THE COMPANY** may be properly applied and subject to Sections 53 and 54 of **THE ACT, THE BOARD OF DIRECTORS**, may at their discretion, either employ such sums in the business of **THE COMPANY** or invest such sums in such investments as **THE BOARD OF DIRECTORS** may from time to time think fit. **THE BOARD OF DIRECTORS** may also, whether or not they place any sum to reserve, carry forward any profits they may think prudent not to divide.

15.6 **THE BOARD OF DIRECTORS** may, if they think fit, deduct from the dividend payable to any shareholder all such sums of money as may be actually due from that person either solely or jointly to **THE COMPANY** on any account without prejudice to the right of **THE COMPANY** to sue for the balance of such monies or to forfeit any share as hereinafter provided.

15.7 No dividend shall bear interest against **THE COMPANY**.

15.8 Unless the shareholder entitled to a share shall direct to the contrary, every dividend warrant shall be sent by post to the last registered address of the shareholder entitled thereto.

16. ACCOUNTS

16.1 In accordance with Section 187 of **THE ACT**, the directors shall cause full and true accounts to be kept of all the commercial, financial and other affairs, transactions, and engagements of **THE COMPANY**, and of the profit or loss from time to time resulting therefrom, and of all such accounting records as shall be requisite to exhibit the true financial condition of **THE COMPANY**.

16.2 The books of account shall be kept at the registered office of **THE COMPANY**, or at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.

16.3 **THE BOARD OF DIRECTORS** shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of **THE COMPANY** or any of them shall be open to the inspection of shareholders not being directors, and no shareholder (not being a director) shall have any right of inspecting any account or book or document of **THE COMPANY** except as conferred by statute or authorised by **THE BOARD OF DIRECTORS** or by **THE COMPANY** in a meeting of shareholders.

16.4 In accordance with **THE ACT** and **THE REGULATIONS** once at least every year the directors shall lay before **THE COMPANY** in the annual meeting of shareholders, the prescribed financial statements which shall be accompanied by a report of the directors and the report of the auditors. The report of the directors shall define the state of affairs of **THE COMPANY** and the amount which they recommend to be paid by way of dividend and the amount if any, which they propose to carry to a reserve fund.

16.5 The prescribed financial statements referred to in paragraph 16.4 above, shall contain at least (a) a balance sheet; (b) a statement of retained earnings; (c) a statement of income and (d) a statement of changes in financial position.

16.6 Copies of prescribed financial statements and reports of the directors and the auditors shall, not more than thirty (30) days and not less than seven (7) days previous to the meeting, be sent to the persons entitled to receive notices of meetings of shareholders in the manner in which notices are to be given under paragraph 26 hereof.

17. THE AUDITOR

In accordance with Sections 162 and 163 of **THE ACT** the shareholders of **THE COMPANY** shall, by ordinary resolution, at the first annual meeting of shareholders and at each succeeding annual meeting, appoint the auditor to hold office until the close of the next annual meeting. The Board of Directors shall recommend the remuneration of the auditor and the shareholders shall consider the recommendation and fix the remuneration of the auditor.

18. INFORMATION AVAILABLE TO SHAREHOLDERS

Except as provided by **THE ACT**, no shareholder shall be entitled to any information respecting any details or conduct of **THE COMPANY'S** business which in the opinion of the directors it would be inexpedient in the interest of **THE COMPANY** to communicate to the public. Shareholders shall inter alia not be entitled to the following information: (i) receipt of any sensitive financial information of the company concerning its products, pricing or remuneration of individual employees, (ii) details of any confidential management information, statistics or reports concerning the competitiveness of **THE COMPANY'S** products or otherwise, publication of which would not be in the best interest of **THE COMPANY**.

19. STATED CAPITAL ACCOUNTS

In accordance with section 31 of **THE ACT**, **THE COMPANY** shall maintain a separate stated capital account for each class and series of shares that it issues. **THE COMPANY** shall add to the appropriate stated capital account the full amount of the consideration that it receives for any shares that it issues.

20. CAPITALISATION OF PROFITS

20.1 **THE COMPANY** in a meeting of shareholders may upon the recommendation of **THE BOARD OF DIRECTORS** resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied by paying up in full unissued shares of **THE COMPANY** to be allotted and issued as fully paid up to and amongst such shareholders in the proportion aforesaid, or partly in the one way and partly in the other and the directors shall give effect to such resolution, provided that a capital redemption reserve fund may for the purpose of this regulation only be applied in paying up unissued shares to be allotted and issued to the shareholders of the company as fully paid bonus shares.

20.2 If **THE COMPANY** passes a resolution (as referred to in paragraph 20.1 hereof), to issue shares to shareholders in lieu of payment of a dividend, then **THE COMPANY** shall, in accordance with section 52(3) of **THE ACT**, add to the stated capital account, the value of the dividend stated as an amount in money.

21. SHARES

21.1 Subject to **THE ACT**, **THE ARTICLES**, **THE BYE-LAWS** and any unanimous shareholder agreement, shares in the capital of **THE COMPANY** may be allotted and issued by resolution of the directors at such times and on such terms and conditions and to such persons or class of persons as the directors determine.

21.2 No person shall exercise any rights of a shareholder until his or her name shall have been entered in the register of shareholders.

21.3 Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the provisions following:-

(a) On the death of any one such joint holder the survivor or survivors shall be the only person or persons recognised by **THE COMPANY** as having any title to such share; but nothing herein contained shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by such person;

(b) Any one of such joint holders may give effectual receipts for any dividend, bonus, or return of capital payable to such joint holders;

(c) Only the person whose name stands first in the Register of shareholders as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share, or to receive notice from **THE COMPANY**, and any notice given to

such person shall be deemed notice to all the joint holders. Where such person does not register with **THE COMPANY** an address within the state of St. Lucia, notice may be given by **THE COMPANY** to any other joint holder and similarly such notice shall be deemed to be notice to all the joint holders;

(d) any one of the joint holders of any share for the time being conferring a right to vote may vote either personally or by proxy at any meeting in respect of such share as if such person were solely entitled thereto, providing that if more than one such joint holders be present at any meeting, either personally or by proxy, the person whose name stands first in the Register of shareholders as one of such holders, and no other, shall be entitled to vote in respect of the said shares.

(e) **THE COMPANY** shall not be obliged to register more than four persons as joint holders of a share.

21.4 The directors or any agent designated by the directors may in their or his or her discretion direct the issuance of a new share or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, destroyed or wrongfully taken, on payment of such reasonable fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the directors may from time to time prescribe whether generally or in any particular case.

21.5 Except as required by law, no person shall be recognised by **THE COMPANY** as holding any share upon any trust, and **THE COMPANY** shall not be bound or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by the **BYE-LAWS** or otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

22. LIEN ON SHARES

22.1 **THE COMPANY** shall have a first lien and paramount lien upon all the shares registered in the name of any shareholder (whether solely or jointly with others), for his or her debts, liabilities and engagements, solely or jointly with any other persons to or with **THE COMPANY**, whether the time for payment, fulfilment or discharge thereof shall have actually arrived or not.

22.2 For the purposes of enforcing such lien the directors may sell the shares subject thereto, in such manner as they shall think fit; but no sale shall be made until:

(a) The time for such payment, fulfilment or discharge as aforesaid shall have arrived; and

(b) Notice in writing of the intention to sell shall have been served on such shareholder, or his or her representative; and

(c) Default shall have been made by that person or them in payment, fulfilment or discharge of any such debts, liabilities, or engagements for 14 days after such notice.

22.3 The net proceeds of any such sale shall be applied in or towards satisfaction of such debts, liabilities or engagements, and the balance (if any) paid to such shareholder or his or her representative.

23. TRANSFER OF SHARES

23.1 The instrument of transfer of any share in **THE COMPANY** shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of shareholders in respect thereof.

23.2 Shares in **THE COMPANY** shall be transferred in the following form, or in any usual or common form which the directors shall approve.

I, …….. of ..... in consideration of the sum of EC$..... paid to me by …… of ..... (hereinafter called "the said transferee") do hereby transfer to the said transferee the share (or shares) numbered ..... to ..... in **THE COMPANY** called 1st National Bank St. Lucia Limited, to hold unto the said transferee, his or her executors, administrators, and assigns, subject to the several conditions on which I held the same at the time of the execution thereof; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.
As witness our hands the ..... day of .....

Witness to the signatures of etc.

23.3 The directors may decline to register any transfer of shares on which **THE COMPANY** has a lien. The directors may also suspend the registration of transfers during the ten days immediately preceeding the annual meeting of shareholders in each year. The directors may also decline to recognise any instrument of transfer unless:

(a) The appropriate fee is paid to **THE COMPANY** in respect thereof, and

(b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.

(c) The appropriate Stamp Duty payable on the transfer of shares (by virtue of the Stamp Duty Ordinance Chapter 219) has been duly paid.

24. TRANSMISSION OF SHARES

24.1 On the death of any shareholder (not being one of two or more joint holders of a share) the legal personal representatives of such deceased shall be the only persons recognised by **THE COMPANY** as having any title to the share or shares registered in that person's name.

24.2 Any person becoming entitled to a share by reason of the death or bankruptcy of a shareholder may upon such evidence being produced as may from time to time be required by the directors, elect either to be registered as a shareholder in respect of such share or to make and execute such transfer of the share as the deceased or bankrupt person could have made. If the person so becoming entitled shall elect to be registered himself or herself he or she shall give to **THE COMPANY** a notice in writing signed by him or her that he or she so elects. The directors shall in either case have the same right to refuse or suspend registration as they would have had if the death or bankruptcy of the shareholder had not occurred and the notice of election or transfer were a transfer executed by that shareholder.

24.3 Any person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which that person would be entitled if he or she were the registered holder of the share, except that that person shall not, unless and until he or she is registered as a shareholder in respect of the share, be entitled in respect of it to receive notice of, or to exercise any right of shareholders in relation to meetings of **THE COMPANY**: Provided always that the directors may at any time give notice requiring any such person to elect either to be registered himself or herself or to make such transfer as aforesaid, and if such notice is not complied with within ninety days after service thereof the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of such share until the requirement of the notice has been complied with.

25. SHARE CAPITAL

25.1 **THE COMPANY** may by special resolution in accordance with Section 213 of **THE ACT** and upon the recommendation of the directors, increase the capital by the creation of new shares to be divided into shares of such amount as the resolution shall prescribe.

25.2 Any capital raised by the creation of new shares shall, unless otherwise provided by the conditions of issue, be considered as part of the original capital and shall be subject to the same provisions with reference to transfer and transmission of shares, or otherwise, as if it had been part of the original capital.

25.3 **THE COMPANY** may by special resolution, subject to Section 44 of **THE ACT**, reduce its share capital in any manner authorised by law.

26. NOTICES

26.1 Any notice or other document required by **THE ACT**, **THE REGULATIONS,** or **THE BYE-LAWS** to be sent to any shareholder, debenture holder, director or auditor may be delivered personally or sent by prepaid mail or cable or telex or electronic mail to any such person at that person's latest address as shown in the records of **THE COMPANY** or its transfer agent and to any such director at his or her latest address as shown in the records of **THE COMPANY**. Every notice or document sent through the post shall be deemed to have been served at the expiration of forty-eight (48) hours from the time at which it is posted, if posted to the latest address as shown in the records of the company.

26.2 Any notice required to be, or which may be given by advertisement, shall be advertised in a newspaper circulating in St. Lucia and shall be deemed sufficiently given if so advertised.

26.3 A notice may be given by **THE COMPANY** to the persons entitled to a share in consequence of the death or bankruptcy of a shareholder by sending it through the post in a prepaid letter addressed to them by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in the state supplied for the purpose by the persons claiming to be so entitled, or (until such 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 has not occurred.

26.4 In any case where a given number of days notice, or notice extending over any other period, is required to be given, neither the day of the delivery of the notice nor the day upon which such notice expires shall be included in such number of days or other period.

26.5 Every notice or application to the directors, or to the Secretary of **THE COMPANY**, except when otherwise specially provided, shall be sufficient if the same be signed by the person or persons giving or making the same, and be given to the Secretary, or be left at the office addressed to that person during such hours of the day as the said office shall ordinarily be opened for the transaction of business, or be forwarded to that person at such office by registered post. Every person giving or making any such notice or application shall be entitled to require an acknowledgement by the Secretary of the receipt of such notice application.

27. WINDING UP

In the event of **THE COMPANY** being wound up, the liquidator or liquidators may, with the consent of **THE COMPANY** in general meeting, divide among the shareholders any assets of **THE COMPANY** in specie, and in particular any shares, stock or securities to which **THE COMPANY** may be entitled.

28. REPEAL

The previous Articles of Association of **THE COMPANY** as amended on the 16th March 1995 are repealed on the coming into force of this **BY-LAW**

Dated this day of 2006

Corporate Seal

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CHAIRMAN **CORPORATE SECRETARY**