

THE COMPANIES CODE, 1963 (ACT 179)

REGULATIONS OF

HFC BANK (GHANA) LIMITED

(A PUBLIC LIMITED LIABILITY COMPANY)

THE COMPANIES CODE 1963 (ACT 179)

REGULATIONS OF HFC BANK (GHANA) LIMITED

Amended by
Special
Resolution by
Shareholders
on 25/4/2002

1) The name of the Company is **HFC BANK (GHANA) LIMITED**

2) The businesses which the Company is authorized to carry on are:-

a) To issue bonds and other financial instruments for undertaking mortgage financing for housing and commercial purposes;

b) To carry on the business of banking including inter alia the following:-

- i) Borrowing, raising or taking deposits or money; lending or advancing money, taking securities and property; discounting notes, coupons, drafts bill of lading, warrants, debentures, certificates, scripts and other instruments and securities; transferable or negotiable; granting and issuing of letter of credit, bonds and guarantee and circular notes; buying, selling and dealing in bullion and specie; acquiring, holding, issuing on commission, undertaking and dealing with stocks, funds, shares, debentures, debenture stocks, bond obligations, securities and investments of all kinds, negotiating loans and advances; receiving money and valuables on deposit, or for safe custody, or otherwise; collecting and transmitting money and securities, and transacting all kinds of agency business commonly transacted by bankers;
- ii) To undertake and carry on the business of trade development and finance, including mobilization of deposits, to offer credit facilities and to improve services to facilitate the payments systems. These include: Current and Savings accounts, Fixed and call deposits, Cash collection, Issue of Bonds, Guarantees and Certificates of Deposits; to engage in provision of import of letters of credits, exports letters of credit, handling of inward and outward bills for collection, negotiation of export bills; Dealings in Foreign Exchange, provision of foreign currency and foreign exchange accounts, handling of foreign transfer, remittances and cheque collection, international transactions and services; advisory and financial services for small and medium scales industries and enterprises;
- iii) To carry on the business of discounting, dealing in exchanges, in specie and securities;
- iv) To undertake the collection of dividends, debts and taxes, for or on behalf of any government, person, partnership or association;

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- v) To advance and lend money on immovable, moveable, personal and mixed securities, on cash credit or other accounts, on policies, bonds, bills of exchange, promissory notes, letters of credits, or other obligations, or on rates or tolls duly authorized to be made or levied by any Act, Decree or law or the statutes of law of any place where the Company may carry on business, or on deeds, goods, wares and merchandise, bills of exchange, bills of sale, or bills of lading, delivery orders, warehousemen and wharfingers certificates, notes, dock warrants, or other mercantile insignia or tokens, bullion, assayed gold, specie, metal ores, minerals, precious stones and stocks, shares and dentures or other securities for money;
 - vi) To undertake any other business related or incidental to the foregoing;
- 3) Pursuant to section 24 of the Companies Code, 1963 (Act 179) the Company has, for the furtherance of its authorized business all the powers of a natural person of full capacity except in s far as such powers are expressly excluded by these Regulations;
- 4) The Directors of the Company as at 16th April 2009 are:-
- a) **NANA AGYEI DUKU**
 - b) **MR. ASARE AKUFFO**
 - c) **MR. AKWETE AKITA**
 - d) **MR. RAS BOATENG**
 - e) **MR. B. B. EBONG**
 - f) **MR. S.O.THOMAS**
 - g) **MR. JOHN KUSI-MENSAH**
 - h) **MRS STEPHANIE HENRIETTA BAETA ANSAH**
 - i) **MR. JOHN SEY**
- 5) The powers of the Board of Directors are limited in accordance with Section 202 of the Code;
- 6) The Liability of the members of the Company is limited;
- 7) The Company is registered with one billion (1,000,000,000) Ordinary Shares of no par value;
- 8) The Regulation contained in table A in the second schedule to the Companies Code 1063 (Act 179) shall not apply to the Company;

SHARES AND VARIATION OF RIGHTS

9) The Company may by special Resolution altering these Regulations:-

- a) increase the number of its shares by creating new shares;
- b) reduce the number of its shares by canceling shares which have not been taken by any person, or by consolidating its existing shares, whether issued or not, into a small number of shares;
- c) provide for different classes of shares by attaching to certain of the shares preferred, deferred or other special rights or restrictions whether in regard to dividend, voting, repayment or otherwise; provided that the voting rights of equity shares shall comply with the provisions of sections 31 and 50 of the Code and the voting rights of preference shares shall comply with the provisions of sections 31 and 49 of the Code;
- d) In accordance with section 59 of the Code, create preference shares which are, or at the option of the Company are liable, to be redeemed on such terms in such manner as may be provided, but shall carry the same rights and ordinary shareholders as regards receiving notices, reports and balance sheets, and attending general meetings of the Company, but subject to compliance with the provisions of sections 60 to 63 of the Code; provided always that the total proceeds from the issue of preference shares shall not exceed the total proceeds from the issue of ordinary shares at any time.

Amended by Special Resolution passed by the shareholders on 5/10/94

- 10) (a) On the issue of any new or un-issued shares in the Company the Directors shall comply with the provisions of section 202 Of the Code.
- (b) The Company shall not issue shares to transfer a controlling Interest without prior approval of shareholders at General Meeting;

- 11) (a) Subject to any direction to the contrary that may be given by an ordinary resolution of the Company in accordance with section 202 of the Companies Code, 1993 (Act 179), all new shares shall before issue be offered to persons that are at the date of the offer entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled;

Amended by Special Resolution passed by the shareholders on 5/10/94

- (b) The offer shall be made by notices specifying the number of Shares offered, limiting a time which shall not be less than twenty-eight days within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to

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whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such a manner as they think most beneficial to the Company;

c) The Director may likewise dispose of any new shares which (by reason of the ration which the new shares bears to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under sub-regulations 13 (a) or (b) of this regulation;

(d) A Director may participate in an issue of shares to employees only if he holds office in an executive capacity and shareholders at general meeting have approved of the scientific allotment to be made such Director;

12) If any time the shares are divided into different classes, the rights Attached to any class may be varied with the written consent of the holders of at least three- fourths of the issued shares of that class or the sanction of a special resolution of the holders of the shares of that class;

13) Subject to compliance with the provisions of sections 60 to 63 of the Code the Company may exercise the powers conferred by section 59 of the Code to:-

a) purchase its own shares;

b) acquire its own shares by a voluntary transfer to it or nominees for it;

c) forfeit in manner hereinafter appearing any shares issued with an unpaid liability for non-payment of call or other sums payable in respect thereof;

14) The Company may pay commission or brokerage to any person in consideration of his subscribing or agreeing to subscribe to or procuring or agreeing to procure subscription for any shares in the Company provided that the payment does not exceed ten per centum of the price at which the shares are issued;

15)

a) The Company may issue securities in uncertificated or dematerialized form;

b) The Company may convert a certificated security into an uncertificated security;

c) The Company shall accept for registration, transfer in the form of approved by Ghana Stock Exchange or under the Central Securities Depository Act, 2007 (Act 733);

d) The manner in which records of shareholding in the Company shall be kept as shall be determined by the Ghana Stock Exchange and shall be in line with the Central Securities Depository Act, 2007 (Act 733);

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16/4/09

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CALLS ON SHARES

- 16) (1) Where shares are issued upon the terms that any part of the price payable therefore is not payable at a fixed time, the Board of Directors may from time to time make calls upon the shareholders in respect of any monies unpaid on their shares, provided that no call shall be payable less than twenty-eight days from the date fixed for the payment of the last preceding call and each shareholder shall, subject to receiving not less than fourteen days notice specifying the time or times and place of payment, pay to the Company at the time or times and place so specified the amount called upon his shares;
- (2) A call may be revoked or postponed as the Directors may determine;
- 17) A call shall be deemed to have been made at the time when the resolution of the Directors authoring the call was passed and may be required to be paid by installments;
- 18) The joint holders of a share shall be jointly and severally liable to pay all calls in respects thereof;
- 19) If a sum call in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest thereon from the date appointed for payment to the time of actual payment at such rate not exceeding five per centum per annum as the Board of Directors may determine, but the Boards of Directors shall be at liberty to waive payment of such interest wholly or in party;
- 20) Any sum which by the terms of issue of a share becomes payable on application therefore or on allotment, or at any fixed date shall for the purposes of these Regulations be deemed to be a call duly made and payable on the date on which by terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture, sale or otherwise shall apply as if such has become payable by virtue of a call duly made and notified;
- 21) (a) As between shares of the same class the Company shall not differentiate between the holders as to the amount of call to be paid or time of payment;
- (b) Capital paid on shares in advance of call shall not, whilst carrying interest, confer a right to participate in dividends;

FORFEITURE OF SHARES

- 22) If a shareholder fails to pay any call or installation of any call or installment of a call, including any sum deemed to a call under Regulation 16(1) hereof, the Board of Directors may at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued;
- 23) The notice shall name a further day not earlier than the expiration of fourteen days from the date of service of the notice on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the times appointed the shares in respects of which the call was made will be liable to be forfeited;
- 24) If the requirements of such notices are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment require by the notice has been made, be forfeited by a resolution of the Directors to that effect;
- 25) A forfeited share may either be cancelled by alteration of these Regulations or may be retained as treasury share until sold or otherwise disposed of on such terms and in such manner as the Board of Directors think fit;
- 26) A person shoes shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall be bound to surrender to the Company for cancellation the share certificates in respect of the shares so forfeited but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of the forfeiture, were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shave have received payment in full of all such monies in respect of the shares;
- 27) A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share in the Company has been duly forfeited on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

LIEN

- 28) (1) The Company shall have a first and paramount lien on all shares provided that such lien shall be restricted to unpaid calls and installments upon the specific shares in respect of which such monies are due and unpaid, and

to such amounts as the Company may be called upon by law to pay in respect of the shares of the member or the deceased member;

- (2) The Company's lien shall extend to all dividends payable thereon;
- 29) If any sum in respect of which the Company has a lien is presently payable and the Board of Directors, after serving the notice require by Regulations 23 and 24 hereof, may, at any time before the payment required by such notice has been made, sell any share on which the Company has such lien instead of forfeiting it in accordance with Regulation 24 hereof;
- 30) (1) To give effect to any such sale the Board of Directors may authorize some person to transfer the shares sold to the purchaser thereof;
- (2) The purchaser shall be registered as the holder of the share comprised in such transfer and he shall not be bound to see to the application of the purchase money nor shall the title to his shares be affected by any irregularity or invalidity in the proceedings in reference to the sale;
- 31) The proceeds of such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exist as is presently payable, and the residue, if any shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale, but the Company shall not be bound to make such payment unless the until such person has surrendered to the Company for cancellation his shares certificates or certificate relating to the shares so sold;

TRANSFER AND TRANSMISSION OF SHARES

- 32) The Board of Directors may decline to register;
 - a) The transfer of any share on which there is an unpaid liability to a person to whom they shall not approve;
 - b) The transfer of any share to any person who is an infant or to anyone found by a competent court in Ghana to be a lunatic or of unsound mind;
 - c) Subject as aforesaid there shall be no restriction on the right to transfer any shares in the Company except where otherwise required by law;

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- d) The Company shall promptly notify the Ghana Stock Exchange of any attachment or prohibitory orders restraining the Company from transferring securities out of the names of the registered holders thereof;
- e) The Company shall accept for registration transfer in the form of approved by the Ghana Stock Exchange;

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16/4/2009

33) Any fee charged by the Company for the subdivision, consolidation, exchange or registration or securities shall not exceed such rates as are from time to time specified by the Council of the Ghana Stock Exchange;

34) In the event of the death of any shareholder or in the event of ownership of any share devolving upon a person by reason of his being the legal personal representative, receiver or trustee in bankruptcy of the holder, or by operation of law, the provisions of section 99 of the Code shall apply;

DIVIDEND

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35) (a) The Company may, by ordinary resolution, declare dividends in respect of any year or other period but no dividend shall exceed the amount recommended by the Board of Directors;

(b) The Board of Directors may exercise the power conferred by Section 293 of the Code to pay interim dividends;

36) No dividend shall be paid unless:-

(a) the Company will, after such payment, be able to pay its debts as they fall due;

(b) the amount of such payment does not exceed the amount of the Company's income surplus immediately prior to the making of such payment;

37) The Board of Directors may, before recommending any dividend, set aside out of the profits or income surplus of the Company such sums as they think proper in order to provide for a known liability or as depreciation or replacement provision and may carry forward Any profits or income surplus, which they may think prudent not to distribute;

38) All dividends shall be declared and paid as fixed sum per share a not as a proportion of the amount paid in respect of a share;

- 39) The Board of Directors may deduct from any dividend payable to any shareholder all sums of money presently payable by him to the Company in respect of his shares;
- 40) (1) Any dividend payable in cash may be paid by cheque or warrant sent by post directed to the registered address of the shareholder or, in the case of joint holders, to the registered address of that one who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent;
- (2) Any one of two or more joint holders may give effectual receipts for any dividends;
- (3) Every dividend payment shall be accompanied by a statement showing the gross amount of the dividend, and any tax deducted or deemed to be deducted there from;
- 41) No dividend shall bear interest against the Company;
- 42) All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be deemed to be constituted a trustee in respect thereof. All dividends unclaimed for a period of five years after having been declared shall be forfeited and shall revert to the Company;

CAPITALIZATION ISSUES AND NON-CASH DIVIDENDS

- 43) The Company, upon the recommendation of the Directors, may exercise the powers conferred by Section 74 of the Code:-
- (a) to make capitalization issues of shares in accordance with sub-section (1) of section 74;
- (b) to resolve, in accordance with sub-section (3) of section 74 that any sum standing to the credit of the Company's income surplus and which could have been distributed by way of dividend shall be applied in paying up amounts for the time being unpaid on shares;
- (c) to direct, in accordance with sub-section (4) of section 74 that payment of a dividend shall be wholly or partly by distribution of securities for money or fully paid shares of debentures of another body corporate or of fully paid debentures of the Company;

BRANCH REGISTERS

- 44) The Company may exercise the powers conferred by sections 103 and 104 of the Code with respect to the keeping of branch registers and the Board of Directors may, subject to the provisions of those sections, make such regulations as they think fit respecting the keeping of any such register and may, subject as aforesaid, vary such regulations;

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ACCOUNTS AND AUDIT

- 45) The Board of Directors shall cause proper books of accounts to be kept and a profit and loss account and balance sheet to be prepared audited and circulated in accordance with sections 123 to 133 of the Code;
- 46) (a) Auditors, qualified in accordance with section 296 of the Code, shall be appointed and their duties regulated in accordance with sections 134 to 136 of the Code;
- (b) The Board of Directors shall cause to be issued to shareholders audited accounts of the Company not more than six months between the close of the financial year and the issue of the audited accounts;

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GENERAL MEETINGS AND RESOLUTIONS

- 47) The powers of the members of the members in general meeting shall be as stated in Section 137 of the Code;
- 48) Annual General meetings shall be held in accordance with section 149 of the Code;
- 49) Extraordinary General meetings may be convened by the Directors whenever they think fit in accordance with section 150 of the Code and shall be convened by the Directors on a requisition of members in accordance with section 297 of the Code;
- 50) Notice of general meeting shall be given in accordance with sections 152 to 159 of the Code and accompanied by any statements required to be circulated therewith in accordance with sections 157 to 159 of the Code;
- 51) Meetings may be attended by the persons referred to in section 160 of the code but a member shall not be entitled to attend unless all calls or other sums presently payable by him in respect of shares in the company have been paid;

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52) The quorum required for any general meeting shall be two members present in person or where proxies are allowed, by proxy, or one member so present holding shares representing at least one-third of the total voting rights of all members having a right to vote at the meeting;

53) (1) In accordance with section 163 of the Code any member entitled to attend and vote at a meeting of the company shall be entitled to appoint another person, whether a member of the company or not, as his proxy to attend and vote instead of him and such proxy shall have the same rights as the member to speak at the meeting;

(2) An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-

HOME FINANCE COMPANY LIMITED

We of

Being members of the above-named Company hereby appoint
of

Or failing him of..... as our proxy to vote for us on our behalf at the annual/extraordinary general meeting of the company to be held on the day of 19 and at any adjournment thereof;

Signed this day of 19

This form is to be used:-

*in favor of/against

..... Resolution number 1

*in favor of/against

..... Resolution number 2

(Delete if only one resolution is to be proposed; add further instructions if more than two resolutions are to be proposed). Unless otherwise instructed, the proxy will vote, as he thinks fit;

*Strike out whichever is not desired;

(3) not withstanding the provisions of section 163 (4) of the Code, and instrument appointing a proxy and the other documents referred to in the

said section may be deposited at the place specified in the notice convening the meeting at any time prior to the commencement of the meeting or in the case of poll prior to the commencement of the taking of the poll;

- 54) A body corporate which is a member of the Company may attend and vote either by proxy or by a representative appointed in accordance with section 165 of the Code;
- 55) Meetings shall be conducted in accordance with sections 166 to 173 of the Code. On a poll being validly demanded the Chairman of the meeting shall direct a postal ballot in accordance with subsection (6), (7) and (8) of Section 170 of the Code;
- 56) In accordance with section 174 of the code a resolution in writing signed by all the members of the time being entitled to attend and vote at General meetings, or being bodies corporate by their duly authorized representatives and if the company has only one such member by that member shall be a valid and effective for all purpose except as provided by such section 174, as if the same had been passed at a general meeting of the Company duly convened and held, and if described as a Special Resolution shall be deemed to be a special resolution within the meaning of the Code;
- 57) Minutes of general meetings shall be kept in accordance with section 177 of the Code;
- 58) If at any time the shares of the Company are divided into different classes, the foregoing regulations shall apply to a meeting of any class of members in like manner as they apply to general meetings but so that the necessary quorum shall be as set out in section 175 of the Code;

VOTE OF MEMBERS

59) Subject to section 49 of the Code holders of preference share shall have the right to vote at any meeting convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the undertaking, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend is in arrears for more than six months, or where there is a resolution to remove an auditor of the company or to appoint another person in place of such auditor:-

- (a) on a show of hands each member and each proxy lawfully present at the meeting shall have one vote, and on a poll each member present in person or by proxy shall have one vote for each share held by him;

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- (b) in the event of a postal ballot being directed pursuant to sub-sections (6), (7) and (8) of section 170 of the Code each member entitled to attend and vote at the meeting shall have one vote for each share held by him, but so that no member shall be entitled to a vote on a poll or a postal ballot in respect of any share on which any sum or any call presently payable to the Company remains unpaid;

DIRECTORS

Amended by special resolution passed by the shareholders on 5/10/94

- 60) (1) The appointment of Directors shall be regulated by sections 181, 298, and 299 of the Code;
- (2) Subject to sub-regulation 60(1) above, the office of a Director shall become vacant when he become of unsound mind or bankrupt during his term of office;

Amended by special resolution passed by the shareholders on 5/10/94

- 61) (a) The number of Directors of the Company shall not be less than six or more than eleven;
- (b) The continuing Directors may act notwithstanding any vacancy in their continuing directors may, except there is an emergency, act only for the purpose of increasing the number of Directors to such minimum number, or to summon a general meeting of the company;

Amended by special resolution passed by the shareholders on 5/10/94

- 62) The Board may appoint one of their number as the Managing Director or alternatively, it shall appoint a suitably qualified person to that position. A person so appointed shall be a member of the Board;
- 63) An individual holder of not less than twelve and half per cent fully paid up of the Company's shares, being private individual, body corporate or any other legal entity shall be entitled to appoint one Director to the company's board except where an incumbent Director is a previous appointee of that shareholder. A Director so appointed shall be subject to rotation, retirement and re-election in accordance with section 298 of the Code;

Amended by special resolution passed by the shareholders on 5/10/94

- 64) An individual holder of twenty-five percent or more fully paid up of the company's shares, being a private individual, body corporate or any other legal entity shall be entitled to appoint two Directors to the Board except where two incumbent Directors are previous appointees of that shareholder. Any Director so appointed shall be subject to rotation, retirement and re-election in accordance with section 298 of the Code;

Amended by special resolution passed by the shareholders on 5/10/94

65) Two positions on the Board shall be reserved for the appointment of Non-executive Directors who shall be recommended on the basis of their ability to represent and enhance the interest of the shareholders and the business of the Company as a whole. They shall be appointed by the existing Directors for periods not exceeding one year and confirmed by Ordinary resolution of the shareholders in general meeting. Any Director so appointed shall be subject to rotation, retirement, and re-election in accordance with section 298 of the Code;

Amended by special resolution passed by the shareholders on 5/10/94

66) The Chairman of the Board of Directors shall be appointed by the Directors and may be one of their number;

67) The quorum necessary for the transaction of business of the Board of Directors shall be five Directors;

Amended by special resolution passed by the shareholders on 5/10/94

68) (1) Where the number of Directors at any given time shall be less than five and where no individual holder shall be entitled to appoint a Director or Directors under the provisions either of Regulations 63 and 64 of these Regulations, then the Director required to be appointed to achieve the number stated as the necessary quorum shall be appointed in accordance with section 298 of the Code. Any Director so appointed shall be rotated, retired or re-elected in accordance with Regulation 70(f) of these Regulations;

Amended by special resolution passed by the shareholders on 5/10/94

(2) Where provision is made for the Directors to appoint a person as a Director to fill a casual vacancy, or as an addition to the Board, any Director so appointed shall hold office only until the next following ordinary general meeting of the Company, and shall then be eligible for re-election;

Amended by special resolution passed by the shareholders on 5/10/94

69) Where subsequent to the appointment of a Director under Regulation 68 the number of Directors to be appointed by individual holders in accordance with Regulations 63 and 64 shall if so appointed result in the number of Directors exceeding eleven, then, in any such case a vacancy on the Board shall be created by the retirement of anyone or more Directors appointed under Regulation 68 as shall be necessary, in accordance with section 298 of the Code except that in such case such Director or Directors shall not be eligible for re-election;

Amended by special resolution passed by shareholders on 5/10/94

70) Subject to sections 181 to 185 and section 300 of the Code and except as otherwise provided in these Regulations, the following rules shall apply to the retirement and appointment of the Directors:

- (a) at the first annual general meeting of the Company all the directors shall retire from office, and at the annual general meeting in every subsequent year one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office;
 - (b) the Directors to retire in every year shall be those who have been longest in office since the last election, but as between persons who become Directors on the same day those to retire shall unless they otherwise agree amongst themselves, be determined by lot;
 - (c) any Director appointed to the office of Managing Director shall not while holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of Directors;
 - (d) a retiring Director shall be eligible for re-election;
 - (e) the Company, at the annual general meeting at which a Director retires as aforesaid, may fill the vacated office by electing a person thereto, and in default the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost;
 - (f) no person, other than a Director retiring at the meeting shall unless recommended by the Director, be eligible for election to the office of Director at any general meeting unless not less than three nor more than twenty-eight days before the date appointed for the meeting there shall have been left at the registered office of the company notice in writing signed by a member entitled to attend and vote at the meeting of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected;
 - (g) on any increase or decrease in the number of Directors the Company may by ordinary resolution determine in what rotation the increased or decreased number is to retire from office;
- 71) The persons referred to in section 182 of the code shall not be competent to be appointed directors of the company;
- 72) A Director need not to be a member of the Company or hold any shares therein;

- 73) The office of Director shall be vacated in accordance with section 184 of the Code and any Director may be moved from office in accordance with section 185 of the Code;
- 74) (1) The Company may appoint substitute Directors in accordance with section 187 of the Code and any Director may appoint an alternate Director in accordance with section 188 of the Code;
- (2) An alternate Director shall not be entitled to be remunerated otherwise than out of the remuneration of the Director appointing him;
- 75) At least one Director, substitute Director or alternate of the Company shall at all times be present in Ghana;
- 76) (a) The remuneration payable to any Director in whatsoever capacity shall be determined or approved by the member in general meeting in accordance with section 194 of the Code;
- (b) Fees payable to Directors shall not be increased or decreased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting;
- (c) Fees payable to non-executive Directors shall be by a fixed sum and not by a commission on percentage of profits or turnover; and salaries payable to Executive Directors shall not include commission on or percentage turnover;
- 77) The proceedings of the Directors shall be regulated by section 200 of the Code and the Board of Directors may delegate any of their powers of committees of the Directors in accordance with that section;
- 78) (1) Minutes of meetings of the Board of Directors and of any Committee of Directors shall be kept in accordance with section 201 of the Code;
- (2) Every Director present at any meeting of the Directors or committee of Directors shall sign his name in a book to be kept for purpose;

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POWERS AND DUTIES OF DIRECTORS

- 79) (1) The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the company;

- (2) Subject to sub-sections (1), (2), (3), (4) and (6) of the section 202 of the Code, the Board of Directors may exercise all such powers of the Company, as are not by the Code or these Regulations required to be exercised by the members in general meeting;
- (3) Notwithstanding the provisions of sub-section (5) of the section 202 of the Code the Directors may borrow, for the purposes of the Company, such sums or sums of money as they think fit and for such purpose may mortgage or charge its property and undertaking or any part thereof and may issue debentures;
- 80) In any transaction with the Company or on its behalf and in the exercise of their powers the Directors shall observe the duties and obligations imposed on them by sections 203 to 205 of the Code;
- 81) (1) Subject to compliance with section 207 of the Code, which requires a Director to declare to the Board any direct or indirect interest he may Have, or is to be treated as having, in a contract with the Company, a Director may enter into or be interested, whether directly or Indirectly, in dealings with the Company and shall not be disqualified from Office thereby, nor shall he be liable to account to the Company for any profit arising out of any such contract or dealing to which he is a party or in which he is interest by reason of his being at the same time a Director of the Company or the fiduciary relationship thereby established;
- (2) No Director shall vote in regard to any contract or dealing, or proposal thereof, in which he is interested whether directly or indirectly, or upon any matter arising thereout, and if he shall so vote his vote shall not be counted nor shall he be reckoned in estimating a quorum when any such contract or dealing or proposal thereof, is under consideration;
- (3) In this regulation the term "contract" includes any transaction or arrangement;
- 82) Any Director may act himself or his firm in a professional capacity for the company, except as auditor, and he or his firm shall be entitled to proper remuneration for professional services as if he were not a Director;

Amended by
special
resolution
passed by the
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EXECUTIVE AND MANAGING DIRECTORS

- 83) The Board of Directors may exercise the powers conferred by section 192 of the Code to appoint one or more of their body to any other office or place of profit under the Company, other than the office of auditor, for such period and on such

terms as they may determine and, subject to the terms of any agreement entered into any particular case, may revoke such appointment;

- 84) The Board of Directors may exercise the power conferred by section 193 of the Code to appoint one or more of their body to the office of Managing Director for such period and on such terms as they may determine and subject to the terms of any agreement entered into any particular case, may revoke such appointment and such appointment shall be automatically determined if the holder of the office ceases from any causes to be a Director;
- 85) The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and with such restrictions as they think fit, and either collaterally with or to the exclusion of, their own powers, and subject to the terms of any agreement entered into in any particular case, may from time to time revoke or vary all or any of such powers and subject to this provision hereof the Managing Director shall be subjected to the control of the Board;
- 86) No remuneration shall be payable to any Director in respect of any office of profit to which he is appointed under the foregoing regulations unless and until the terms of his appointment have been approved by ordinary resolution of the Company in general meeting in accordance with section 194 of the Code;

SECRETARY AND OFFICERS AND AGENTS

- 87) The Secretary shall be appointed by the Board of Directors for such time, at such remuneration, and upon such conditions as they think fit; and any secretary so appointed may be removed by them, subject however to his right to claim damages if removed in breach of contract;
- 88) A provision in the Code or these Regulations requiring or authorizing a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, of the Secretary;
- 89) (1) The Board of Directors may from time to time appoint officers and agents of the Company and may appoint any body corporate, firm or body of persons, whether nominated directly or indirectly, by the board of directors, to be the Manager Attorneys of the Company for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Directors under these regulations, and for such period and subject to such conditions as they may think fit;

Amended by special resolution passed by the shareholders on 5/10/94

Amended by special resolution passed by the shareholders of 5/10/94

- (2) 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 discretion vested in him;

THE SEAL

- 90) The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Board of Directors or of a Committee of the Directors authorized by the Board of Directors in that behalf, and every instrument to which the seal shall be affixed, shall be signed by the Director, or by some other person appointed by the Directors for the purpose and shall be countersigned by the Secretary, or by a Director, or by some other person appointed by the Directors for the purpose;
- 91) The Company may exercise the powers conferred by section 148 of the Code with regard to having an official seal for use abroad, and such powers shall be vested in the Board of Directors;

REGISTERS AND BOOKS

- 92) (1) Notwithstanding the provisions of sub-section (1) of section 33 of the Code, the register of member and index of the names of members of the company and the register of debenture holders (if any) shall only be open for inspection between the hours of 8 a.m. and 10 a.m. on days other than Saturdays, Sundays and public holidays;
- (2) Notwithstanding the provision of sub-section (5) of section 63 of the Code the book containing a true copy of the share deals account shall only be open for inspection on days other than Saturdays, Sundays and public holidays;
- (3) Notwithstanding the provisions of sub-section (1) of section 178 of the Code, the books containing the minutes of proceeding of every general meeting or class meeting of the Company shall only be open for inspection between the hours of 8 a.m. and 10 a.m. on days other than Saturdays, Sundays and public holidays;
- (4) Notwithstanding the provision of sub-section (4) of section 196 of the Codes, the register of Directors and Secretaries shall only be open for inspection between the hours of 8 a.m. and 10 a.m. on days other than Saturdays, Sundays and public holidays;

- (5) Notwithstanding the provision of sub-section (4) of 215 of the code, the register of directors' holding shall only be open for inspection between the hours of 8 a.m. and 10 a.m. on days other than Saturdays, Sundays and public holidays;

SERVICE OF DOCUMENTS

- 93) Any document may be served by the Company on any member, debenture holder or Director of the Company in the manner provided by section 262 of the Code;

WINDING- UP

Amended by special resolution passed by the shareholders on 5/10/94

- 94) (1) If the Company shall be wound up the liquidator may, with the sanction required by the code or by the Bodies Corporate (Official Liquidations) Act 1963 (Act 180), divide amongst members in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not, and may for set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between members or different classes of members;
- (2) The Liquidator may, with the like sanction, vest the whole or any part of such assets and trustees upon such trust for the benefit of the member as the liquidator, with the like sanction shall think fit;
- (3) Notwithstanding the foregoing no member shall be compelled to accept any securities whereon there is any liability;
- (4) On the voluntarily liquidation of the Company, no commission or fee shall be paid to a liquidator unless it has been ratified by the shareholders, and the amount of such payment shall be notified to all shareholders at least seven days prior to the meeting at which it is to be considered;

AMENDMENTS

- 95) These Regulations may be altered, rescinded or added to by a special resolution of members in general meeting and, subject to this provision the Company shall not delete, amend or add to any these Regulations which have previously been approved by the Ghana Stock Exchange unless prior written approval has been sought and obtained from the Ghana Stock Exchange for, such deletion, amendment or addition;

Amended by special resolution passed by the shareholders on 5/10/94

INTERPRETATION

- 96) In these Regulation; unless the context otherwise requires:-
- (a) "Code" means the Companies Code, 1963 (Act 179). Or any statutory modification or re-enactment thereof;
 - (b) Words or expression shall have the same meaning as in the Code;
 - (c) Reference to sections of the Code shall mean such sections as modified or re-enacted from time to time;