



MEMORANDUM AND ARTICLES OF ASSOCIATION
OF
INDEPENDENT TELEVISION NETWORK LIMITED

The name of the Company is Independent Television Network Limited

The Registered Office of the Company is situated in the District of Colombo.

PRIMARY OBJECTS

- (1) a) To take over and carry on the business undertaking formerly carried on by the G.O.B.U. of Independent Television Network and vested in the Government under the Business Undertakings (Acquisition) Act No; 33 of 1971 by an Order under Section 2 published in Gazette Extra-Ordinary No: 35/5 of 5th June, 1979.
- b) To succeed to the ownership of all property, movable and immovable owned by and used by the said Government Owned Business Undertaking of Independent Television Network.
- c) To succeed to all rights including patent rights, powers, privileges and interests arising in or out of such property of the said Government Owned Business Undertaking of Independent Television Network.
- d) To succeed to all the liabilities of the said Government Owned Business Undertaking of Independent Television Network.
- e) To receive and maintain all books, accounts and documents relating or pertaining to the said Government Owned Business Undertaking of Independent Television Network.
- f) To offer employment to officers and servants of the said Government Owned Business Undertaking of Independent Television Network.

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- g) To succeed to all contracts and agreements entered into for the purposes of the business of the said Government Owned Business Undertaking of Independent Television Network.
- h) To succeed to all actions and proceedings instituted by or against the Government Owned Business Undertaking of Independent Television Network.
- (2) To carry on the business of Television broadcasting and all business relating to the providing of Audio Visual Services, to organise, produce and present entertainment of all kinds, and to broadcast news and other matters of interest.

B. ANCILLARY POWERS

- (1) To build, construct, equip, maintain, improve, alter any work mills, factories, buildings, structures, roads or other works conducive to any of the Company's objects.
- (2) To buy, sell, maintain and service such articles, goods, materials, vehicles, tools, machinery and appliances as may be required by the Company for its business.
- (3) To appoint, engage, employ, maintain, provide for and dismiss, attorneys, agents, nsuperintendents, managers, clerks, labourers and servants; and to pay such employees such remunerations and emoluments as shall be thought fit.
- (4) To purchase, take on lease or in exchange, hire or otherwise acquire, any land or lands or any share of shares thereof, any interest therein, and any buildings, machinery, implements, tools, live and dead stocks, stores, effects and other property, real or personal, movable or immovable of any kind, and any contract, rights, easements, privileges or concessions, which may be thought necessary or convenient for the purpose of the Company's business, and to erect, construct, maintain or alter any buildings, machinery, plant, roads, ways or other works or methods of communication.

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- (5) To apply for, purchase, or otherwise acquire, any patents, brevets d'inventions, trade marks, trade secrets, licences, concessions and the like conferring any exclusive, or non exclusive, or limited, rights to use, exercise, or exploit, or any trade secret or other information for any of the purposes of the company, or which may seem calculated directly or indirectly to benefit the Company, and to use exercise, develop or grant licences in respect of, or otherwise turn to account, the property, rights or information so acquired.
- (6) To acquire by grants, purchase, or otherwise, patents or patent rights or other rights, privileges or concessions of any kind, and to work, exercise, grant licences for the use of or otherwise dispose of, or deal with, the same.
- (7) To hire, lease or purchase land, either with any other person or company or otherwise, to erect factories and other buildings thereon, or any land leased or owned by the Company at the cost of the Company, and such other person or company, or otherwise, and to lease any factories or other buildings from any company or person for the Company's business.
- (8) To enter into any agreement with any company or person for the working of any factory erected or leased by the Company or for the manufacture and preparation of any products.
- (9) To give any guarantee in relation to mortgages, loans, investments and securities, whether made or effected or acquired through the company's agency or otherwise, and generally to guarantee or become securities for the performance of any contracts and obligations.

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- (10) To make, draw, accept, endorse, issue, discount, execute, transfer, negotiate, and otherwise deal in and with bills of lading, warrants, bills of exchange, cheques, promissory notes, letters of credit, circular notes, travellers' cheques, fixed deposit receipts, trust receipts and all other transferable, negotiable and mercantile instruments.
 - (11) To open and operate upon current, savings, fixed deposit and all other types of accounts with any banking institution, and to obtain from any banking institution loans, overdrafts, guarantees, trust receipts and other facilities.
 - (12) To act as trustees for the holders of, or otherwise in relation to, any debenture or debenture stock issued by any company, and generally to undertake and execute any trusts the undertaking whereof may seem calculated directly or indirectly to benefit the Company.
 - (13) To let, sell, lease, exchange, part with, alienate, transfer, deliver, charge, mortgage or otherwise dispose of or deal with the Company's undertakings, estates, lands, buildings or other property, or any part of parts thereof, whether in consideration of rent, money or securities, for money, shares, debentures or securities in any other company, whether such company be registered in the Republic of Sri Lanka or elsewhere.
 - (14) To borrow or receive on loan money for the purposes of the Company upon the security of cash, or credit bonds, or of the hypothecation or mortgage of the Company's property or any part thereof, or otherwise, as shall be thought most expedient and in particular by the issue of debentures, debenture stock, bonds to bearer or otherwise, and either at par, premium or discount, and either charged upon all or any part of the Company's present or future property (including uncalled capital), or not so charged.

- (B)
- (15) To cause or permit any debenture stock, bonds, debentures, mortgages, charges, encumbrances, liens or securities of, or belonging to, or made, or issued by the Company, or affecting its property, or rights, or any of them, to be renewed, extended, varied, redeemed, exchanged, transferred or satisfied as shall be thought fit, and also to pay-off and re-borrow the monies secured thereby, or any part or parts thereof.
- (16) To unite, co-operate, amalgamate, or enter into partnership, or any arrangements for sharing profits, or union of interest, or any other engaged in or hereafter to be established for the purpose of carrying on any business having objects similar to those of the Company; and to subscribe for or otherwise acquire for the benefit and in the name of the Company, or otherwise, and pay for in any manner that may be agreed upon, either in money, or in shares, or bonds or otherwise, and to hold any shares, stocks or other interest in any company, and to promote the formation of any such company.
- (17) To acquire by purchase in money, shares, bonds or otherwise, and undertake, all or any part of the business, property, asset and liabilities of any person or company carrying on any business similar to that of the Company or which this Company is authorised to carry on, or possess of property suitable for the purposes of this Company.
- (18) To sell, or dispose of the property, business or any assets of the Company, or any part thereof, for such consideration as the Company shall think fit; and in particular for shares (whether credited as partly or fully paid-up or otherwise), stocks, debentures, debenture stock, or securities of any other company, whether such company is registered in the Republic of Sri Lanka or elsewhere.
- (19) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the properties and rights of the Company.

(20) To negotiate loans in any manner, and on any security, and in particular on the security of plantations, factories, growing crops, produce, bills of exchange, promissory notes, bonds, bills of lading, warrants, stocks, debenture stock, and book debts, or without any security at all.

(21) To invest and deal with the monies of the Company not immediately required upon such manner, as may from time to time be determined.

(22) To promote and establish any other company, having objects similar to those of the Company, and to subscribe to and hold the shares, debentures or securities of any other company, or stock of any other company having objects similar to those of the Company and to pay all the costs, charges and expenses, of the formation, promotions or establishment of any such company, and to work as agents, secretaries and treasurers of companies, and to obtain remuneration for such services.

(23) To pay for lands and real, personal, immovable or movable, estate, property and assets of any kind acquired or to be acquired by the Company, or for any services rendered or to be rendered to the Company and generally to pay or discharge any consideration to be paid or given by the Company in money or shares, or debentures, or debenture stock, or obligations of the Company, or partly in one way and partly in another, or otherwise howsoever, with power to issue any shares either fully or partly paid-up for such purpose.

(24) To accept as consideration for the sale or disposal of any lands, real and personal, immovable or movable, estate, property and assets of the Company of any kind sold or otherwise disposed of by the Company, or in discharge of any other consideration to be received by the Company in money or in shares, the shares (whether wholly or partly paid-up) of any company, or the mortgages, debentures, or obligations of any company or in any other kind or mode whatsoever.

- (25) To distribute among the members in specie any property of the Company whether by way of dividend or upon a return of capital; but so that no distribution amounting to a reduction of capital shall be made except with the sanction required by law.
- (26) To pay all or any part of the expenses of, and preliminary to, the promotion, formation, establishment and registration of the Company, or of any other company, whether promoted, formed, established or registered by or on behalf of the Company, or otherwise and all commissions, brokerage, discounts, underwriting and other expenses lawfully payable which may be deemed expedient for taking, placing or underwriting all or any of the shares, debentures or other obligations of the Company.
- (27) To purchase or otherwise acquire, and sell, shares, stocks, bonds, debentures and securities of all kinds.
- (28) To establish and support, or aid in the establishment and support of the associations, institutions, funds and arrangements calculated to benefit, employees or ex-employees of the Company, or its predecessors in business, or other dependants, or connections of such persons, and to grant pensions, gratuities and allowances, and to make donations for charitable, scientific, public or benevolent objects, or any objects calculated to promote the interests of the Company or its employees, ex-employees, and their dependants or connections, and to act as Trustees of, or for, any fund created for any such purposes, or for the benefit of any such persons, and generally to provide for the welfare of any or all of such persons.
- (29) To provide for the welfare of persons employed or previously employed and/or their wives, widows, families or dependants, by grants of money or of pensions, or provident funds, or other aid, or otherwise as the Company may think fit.

- (30) To subscribe to, or otherwise aid, benevolent, charitable, national or other institutions for objects of a public character (whether local or general) which have any moral or other claim to support or aid by the Company by reason of the locality of their operations, or otherwise howsoever, and to make donations to such persons, institutions, funds, or objects, and in such cases as may seem expedient.
- (31) To make pecuniary grants by way of donations, subscriptions, or otherwise, and to support and subscribe to, any national, public, educational, cultural, charitable, benevolent or religious objects, or organisation which the Company may think desirable.
- (32) To carry on all of any of the objects of the Company in any part of the world, either as principals, agents, trustees, contractors or otherwise, and either on its own or through agents, trustees, contractors, or otherwise.
- (33) To pay all expenses incidental to the formation or promotion of this or any other company, and to remunerate any person or company for services rendered, in placing, or assisting to place, or guaranteeing the placing of, any of the shares, debentures, or other securities of the Company, or in or about the promotion or formation of business of the Company, or any other company promoted wholly or in part by this Company.
- (34) To do all such things as are incidental or conducive to the above objects or any of them.

C. STATEMENT OF OBJECTS

Generally to carry on any other business which may seem capable of being conveniently carried on in connection with the primary objects and/or ancillary powers aforesaid as, may be calculated directly or indirectly to enhance or otherwise render profitable the business of the Company.

It is hereby declared that in the foregoing paragraphs of this clause (unless a contrary intention appears) the word "person" includes any number of persons and a Company, and the word "Company" except where used with reference to this Company shall be deemed to include a corporation and a partnership or other body of persons whether incorporated or not and whether domiciled or incorporated or registered in Sri Lanka or elsewhere.

None of the sub-paragraphs of this paragraph or the objects specified therein or the powers conferred thereby shall be deemed in any way subsidiary or auxiliary to the objects mentioned in any other sub-paragraph of this paragraph, in any part of the world notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-paragraph of this paragraph.

4. The liability of the members is limited.

5. The share capital of the Company is Rs. 95.0 million.... divided into 95 million of Rupees Ten (Rs.10/-) each, with power to increase or reduce the capital. The shares forming the capital (original, increased or reduced) may be sub-divided, consolidated or divided into such classes with any preferential, deferred, qualified, special, or other rights, privileges or conditions attached thereto, and be held upon such terms as may be prescribed by the Articles of Association and Regulations of the Company or otherwise.

I, the undersigned, as the Secretary to the Treasury hereby subscribe to the Conversion of the Government Owned Business Undertaking of Independent Television Network under the Act No. 23 of 1987 in pursuance of this Memorandum of Association and agree to take up the number of shares in the capital of the Company to be allotted in my favour (in the official capacity) by the Registrar of Companies Under Section 2 (3) of the said Act No. 23 of 1987.

Signed this Twenty Seventh (27th) day of February in the year One Thousand Nine Hundred and Ninety One Two

ASSISTANT SECRETARY TO THE TREASURY

SECRETARY TO THE TREASURY

Handwritten signature and notes: "Attorney-at-law secretary public"

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ARTICLES OF ASSOCIATION
OF
INDEPENDENT TELEVISION NETWORK LIMITED

1. The Regulations contained in Table A Part 1 in the First Schedule to the Companies Act No.17 of 1982 shall not apply to the Company, except in so far as they are repeated or contained in these Articles, but subject to repeal, alteration or addition by special resolution.

INTERPRETATION

2. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof : -

WORDS	MEANINGS
The Company	Independent Television Network Limited;
The Statutes	The Companies Act No. 17 of 1982, and Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act No. 23 of 1987 and every other Act for the time being in force;
These Presents	These Articles of Association as from time to time altered by special resolution;
Special Resolution & Extraordinary Resolution	Have the meanings assigned there to respectively by the statutes;
The Board	The Directors for the time being of the Company including (where the context so admits or requires) Alternate Directors;

Office: (The Registered Office of the Company);

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Seal	The Common Seal of the Company;
Month	Calendar Month
Year	Calendar Year;
In Writing	Written or produced by any substitute for writing, or partly one and partly another;
Paid Up	Paid up or credited as paid up.

The expressions "debenture" and "debenture-holder" shall include "debenture-stock" and "debenture-stock holder" and the expressions "the Secretary" or "the Secretaries" shall include any individual firm or company appointed by the Board to perform any of the duties of the secretary.

Words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender, and words importing persons shall include corporations and companies.

Save as aforesaid any words or expressions defined in the statutes shall if not inconsistent with the subject or context, bear the same meaning in these presents.

CAPITAL

3. (a) The share capital of the Company is ~~Rs. 950 million~~ divided into ~~95 million~~ shares of Rupees Ten (Rs.10) each.

(b) In terms of Section 2 (3) of the Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act No.23 of 1987 the entirety of the first Issued Share Capital of the Company will be allotted by the Registrar of Companies to the Secretary to the Treasury (in his official capacity) for and on behalf of the State. Thereafter the Secretary to the Treasury is entitled to sell or dispose the entirety or any part of such shares at any given

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interval on the basis of a written directive received from the Minister in Charge of Finance of the State.

4. The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or other wise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of any shares in the Company or, where the Company is a subsidiary Company, in its holding Company nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding Company but nothing in this regulation shall prohibit transactions authorised by the statutes.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and shares in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.

6. Subject to the provisions of section 57 of the Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the term that they are, or at the option of the Company, are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by special resolution determine.

7. Where at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued of that class; or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these rules relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the

sued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll.

8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided in the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking in pari passu therewith.

9. The Company may exercise the powers of paying commissions conferred by section 54 of the Act, provided that the rate per centum of the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by such section and the rate of the commission shall not exceed the rate ten per centum of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per centum of such price as the case may be. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares and partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

10. Except as required by law, no person shall be recognised by the Company, as holding any share upon trust, and the Company shall not be bound by 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 these rules or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATES

1. Every person whose name is entered as a member in the register of members shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificates each for one or more of his shares. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

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Provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

12. Where a share certificate is defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and the payment of out-of pocket expenses of the Company of investigating evidence as the directors think fit.

LIEN

13. The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all money (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (other than fully-paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the Company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this rule. The Company's lien, if any, on a share shall extend to all dividends payable thereon.

14. The Company may sell, in such manner as the directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days from the date of a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death, bankruptcy or insolvency.

15. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

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16. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable is existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

17. The Board may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least 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 on his shares. A call may be revoked or postponed as the Board may determine.

18. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

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

20. Where a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding ten per centum per annum as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

21. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these rules be deemed to be a call duly made and payable on the date on which by the terms of issue

the same becomes payable, and in case of non-payment all the relevant provisions of these rules as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

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

23. The Board may, if they think fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him, and upon all or any of the monies so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) ten per centum per annum, as may be agreed upon between the Board and the member paying such sum in advance.

TRANSFER OF SHARES

24. The instrument of transfer of any share shall be executed by or on behalf of 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 members in respect thereof.

25. The Board may at their absolute discretion and without assigning any reasons therefor decline to register any transfer of shares (not being fully paid shares) to a person whom they shall not approve and they may also decline to register any transfer of shares (not being fully paid shares) on which the company has a lien. If the Board refuses to register a transfer they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of refusal.

26. Subject to such restrictions of these rules as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the Board may approve.

27. The Board may, in their absolute discretion and without assigning any reason thereto, decline to register any transfer of shares, not being fully paid shares.

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