



CORPORATE GOVERNANCE GUIDELINES

As of November 28, 2025



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INTRODUCTION

Scully Royalty Ltd. (the "**Company**") is a corporation incorporated under the laws of the Cayman Islands. The Company's shares trade on the New York Stock Exchange under the symbol "SRL". The Company is a global supply chain company which utilizes innovative finance alongside customized structured solutions to facilitate the working capital and other requirements of its customers.

The Board of Directors (the "**Board**") of the Company is responsible to its shareholders to ensure that proper standards of good governance are adhered to by the Company. As the Board has overall plenary power, these guidelines are intended not to limit the powers of the Board, but to assist the Board in the exercise of its powers and the fulfillment of its duties.

SCULLY ROYALTY LTD.**Corporate Governance Guidelines****(November 28, 2025)**

The Board of Directors (the "Board") of Scully Royalty Ltd. (the "Company"), a company organized under the laws of the Cayman Islands, has adopted the following Corporate Governance Guidelines to assist the Board in the exercise of its responsibilities. The *Companies Law (2016 Revision)* (the "Act"), the Company's governing statute, states that "the business of the company shall be managed by the directors". In practice, as the Board cannot "manage" a corporation such as the Company in the sense of directing its day-to-day operations, the overarching role and legal duty of the Board is to supervise the management of the Company's business and affairs. Accordingly, the Board oversees development of the overall strategic direction and policy framework for the Company. This responsibility is discharged through Board oversight of the Company's management, which is responsible for the day-to-day conduct of the business.

The Board believes good corporate governance practices provide an important framework for a timely response by the Board to situations that may directly affect share value.

Director Qualification Standards

Directors on the Board must be qualified as required by the Act to become, act or continue to act as a director of the Company. The Board is responsible for identifying suitable candidates to be recommended for election to the Board by the Company's shareholders. The Board has delegated to the Compensation, Nominating and Corporate Governance Committee the responsibility of, among other things, identifying individuals qualified to become members of the Board, consistent with criteria approved by the Board, selecting, or recommending that the Board select, the director nominees for each annual meeting of shareholders, and overseeing the evaluation of the Board and management. The Compensation, Nominating and Corporate Governance Committee shall review and develop the Board's criteria for selecting new directors, including without limitation the following:

- independence under applicable standards;
- relevant skills and experience;
- business judgment;
- service on boards of directors of other companies;
- personal and professional integrity, including commitment to the Company's core values;
- openness and ability to work as part of a team;
- willingness to commit the required time to serve as a Board member; and
- familiarity with the Company and its industry.

Chairman of the Board

The Board has no policy with respect to the separation of the offices of Chairman of the Board (the "Chairman") and Chief Executive Officer (the "CEO") of the Company. The Board should be free to make a determination of this issue in any manner that it deems in the best interest for the Company from time to time.

Director Independence

It shall be the policy of the Board that a majority of the members of the Board, and all of the members of the Audit Committee and the Compensation, Nominating and Corporate Governance Committee shall meet the independence requirements of applicable law and the applicable rules of the Securities and Exchange Commission (the "SEC"), including the applicable independence requirements of the *Sarbanes-Oxley Act of 2002*, the applicable Canadian securities commissions ("CSC") and the New York Stock Exchange (the "NYSE") in effect from time to time (subject to any exceptions allowed by such rules and any waivers granted by such authorities). The Compensation, Nominating and Corporate Governance Committee shall evaluate the independence of existing and prospective directors. Each director should keep the Compensation, Nominating and Corporate Governance Committee fully and promptly informed as to any developments that might affect the director's independence.

Director Responsibilities

Directors are expected to attend Board meetings and meetings of the committees on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their duties and responsibilities. Board materials related to agenda items for such meetings shall be provided to directors sufficiently in advance of such meetings to allow them to prepare for discussion of the items, and directors should review these materials in advance of such meetings.

Service on Other Boards

In advance of accepting an invitation to serve on another public company board, directors should advise the Chairman to allow an assessment to be made of, among other things, the potential impact of such service on the director's time and availability, potential conflict of interest issues and the director's status as an independent director. A member of the Audit Committee may not serve on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee.

Directors Who Materially Change their Job Responsibility

Individual directors who retire or materially change his or her job responsibility or business association or experience other changed circumstances that could pose a conflict of interest, diminish his or her effectiveness as a Board member or otherwise be detrimental to the Company, should promptly notify the Compensation, Nominating and Corporate Governance Committee. The Compensation, Nominating and Corporate Governance Committee should review the continued appropriateness of such director's ongoing Board membership under these circumstances and seek the director's resignation, if appropriate. The Board does not believe that in every instance directors who retire or change their job positions should necessarily leave the Board.

Director Access to Management and, as Necessary and Appropriate, Independent Advisors

The Company shall provide each director with unrestricted access to the management of the Company. Directors shall use judgment to be sure that their contacts with management are not distracting to the business operations of the Company. The Board and committees of the Board may retain independent counsel and other advisors at the expense of the Company as they deem necessary or appropriate to carry out their duties.

Board Interaction with Third Parties

Management should coordinate all contacts with outside constituencies, such as the press, customers, investors, analysts or the financial community. If an individual director intends to meet or otherwise substantively communicate with these constituencies about Company matters, in his capacity as director, this should generally be done only after consulting with the CEO.

Executive Sessions of Non-Management Directors

The non-management directors shall meet in executive sessions in connection with each regularly scheduled meeting of the Board, and at other times as they may wish.

Director Compensation

The Board has delegated to the Compensation, Nominating and Corporate Governance Committee the responsibility of, among other things, reviewing and making recommendations to the Board regarding the compensation of members of the Board and its committees and any corresponding compensation policy. Generally, the Company's directors are paid for attending directors' meetings and participation on the Company's Audit and Compensation, Nominating and Corporate Governance Committees. The Company also reimburses its directors for reasonable expenses incurred in connection with their services as directors. The Company may, from time to time, grant options to directors in connection with their service on the Board.

Director Orientation and Continuing Education

The Board has delegated to the Compensation, Nominating and Corporate Governance Committee the responsibility of, among other things, orienting new directors and developing and monitoring continuing education for existing directors. The Compensation, Nominating and Corporate Governance Committee shall develop with management and monitor the process of orienting new directors and continuing education for existing directors. New director orientation may include meeting with the management of the Company, background materials and presentations regarding the business of the Company. Directors shall be provided with information regarding corporate governance and procedures of the Board and the committees on which the directors will serve.

Chief Executive Officer Evaluation and Management Succession

The Compensation, Nominating and Corporate Governance Committee shall review and approve annually the corporate goals and objectives relevant to the compensation of the CEO, evaluate at least annually the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation level (including, but not limited to, salary, long and short-term incentive plans, retirement plans, deferred compensation plans, equity award plans, change in control or other severance plans, as the Committee deems appropriate) based on this evaluation.

The Compensation, Nominating and Corporate Governance Committee shall monitor and make recommendations with respect to succession planning for the CEO and other officers.

Annual Performance of the Board

The Compensation, Nominating and Corporate Governance Committee shall be responsible for overseeing the evaluation of the Board and each Board committee and for making recommendations to the Board, as appropriate. The Compensation, Nominating and Corporate Governance Committee shall receive comments from all directors and report annually to the Board with an assessment of the Board's performance, which will be discussed with the full Board following the end of each fiscal year. The Compensation, Nominating and Corporate Governance Committee shall promptly review the suitability of each Board member for continued service when his or her term expires, when he or she has a significant change in status, and when he or she fails to meet minimum attendance requirements.

Committees of the Board

Pursuant to the Company's Memorandum and Articles of Association, the Board shall have the power and authority to delegate to a committee duly appointed by the Board any of the directors' powers, except the power to fill vacancies in the Board, the power to change the membership of, or fill vacancies in, any committee of the Board, or the power to appoint or remove officers appointed by the Board.

Unless otherwise determined by the Board, the Board shall have an Audit Committee and a Compensation, Nominating and Corporate Governance Committee. However, the Board may, from time to time, appoint additional committees consisting of the director or directors that the directors consider appropriate.

All of the members of the Audit Committee must satisfy the independence and experience requirements detailed in its committee charter. All of the members of the Compensation, Nominating and Corporate Governance Committee must satisfy the independence and experience requirements, if any, detailed in their charters.

Each of the Audit Committee and the Compensation, Nominating and Corporate Governance Committee shall have its own charter. The charters will set forth the authority and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board.

Each of the Audit Committee and the Compensation, Nominating and Corporate Governance Committee shall annually review its own performance and report the performance results to the Board.

Code of Business Conduct and Ethics

The Company has a Code of Business Conduct and Ethics and Insider Trading Policy (the "Code") to provide guidelines for ethical conduct by directors, officers and employees. The Code contains guidance regarding conflicts of interest, corporate opportunities, confidentiality, fair dealing, protection and proper use of Company assets, compliance with laws rules and regulations (including insider trading laws), and the reporting of any actual and potential violations of the Code and accountability for compliance with the Code.

Annual Review of Guidelines

The Compensation, Nominating and Corporate Governance Committee shall review and reassess at least annually the adequacy of these Corporate Governance Guidelines and recommend any proposed changes to the Board for approval.

**SCULLY ROYALTY LTD.
AUDIT COMMITTEE CHARTER**

(November 28, 2025)

1. PURPOSE; LIMITATIONS ON DUTIES.

The purpose of the Audit Committee (the "Audit Committee" or the "Committee") of the Board of Directors (the "Board") of Scully Royalty Ltd. (the "Company") is to (a) assist the Board in monitoring: (i) the integrity of the financial statements of the Company; (ii) the compliance by the Company with legal and regulatory requirements regarding financial disclosure; (iii) the independent auditor's qualifications and independence; and (iv) the performance of the Company's internal audit function and independent auditor; and (b) prepare the annual report of the Committee required by applicable U.S. Securities and Exchange Commission (the "SEC") and applicable Canadian securities commissions ("CSC") disclosure rules.

While the Committee has the responsibilities and powers set forth in this charter (the "Charter"), it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with the English language version of International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and applicable rules and regulations. These are the responsibilities of management and the independent auditor and nothing herein is to be construed as changing such responsibilities. Because the primary function of the Committee is oversight, absent knowledge to the contrary (the details of which shall be promptly reported to the Board), the Committee shall be entitled to rely on the expertise, skills and knowledge of management, the internal auditing department (if any) and the Company's independent auditors and the integrity and accuracy of information provided to the Committee by such persons.

2. COMPOSITION; FINANCIAL EXPERT.

The Committee shall consist of at least three (3) directors of the Board. All members of the Committee must be directors who meet the knowledge and independence requirements of applicable law and the rules of the SEC, including the applicable independence requirements of the *Sarbanes-Oxley Act of 2002* (the "Sarbanes-Oxley Act"), the New York Stock Exchange (the "NYSE") and other applicable securities laws in effect from time to time (subject to any exceptions allowed by such rules and any waivers granted by such authorities).

To the extent practicable, at least one member of the Committee shall qualify as an "audit committee financial expert," as defined in the SEC's rules and regulations in effect from time to time. The Company will disclose in the annual report required by Section 13(a) of the Securities Exchange Act of 1934, as amended (the "1934 Act") (which may incorporate proxy circular disclosure by reference, to the extent permitted by SEC rules) whether or not it has at least one member who is an audit committee financial expert. In any event (as required by the NYSE *Listed Company Manual*), the Committee must include at least one (1) member who the Board determines has accounting or related financial management expertise (which the Board may presume with respect to a person who qualifies as an "audit committee financial expert"). CSC and NYSE rules on the conduct of the Committee require that each member of the Committee be financially literate (as such qualification is interpreted by the Board in its business judgment), which generally means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, or must become financially literate within a reasonable period of time after his or her appointment to the audit committee.

A member of the Committee may not serve on the audit committees of more than two (2) other public companies unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee and such determination is disclosed either on or through the

Company's website or in its annual proxy circular. If this disclosure is made on or through the Company's website, the Company must disclose that fact in its annual proxy circular and provide its website address.

The members of the Committee shall be appointed by and serve at the discretion of the Board and shall serve until their successors are appointed. Committee members will be elected annually for a term of one (1) year. Vacancies will be filled by a majority vote of the Board, subject to such new committee members(s) satisfying the applicable independence requirements established by laws and regulations in the Cayman Islands, the United States and Canada. Except as expressly provided in this Charter or the Memorandum and Articles of Association of the Company, the Committee shall fix its own rules of procedure. The Board may remove a member of the Committee at any time in its sole discretion by ordinary resolution of the Board.

3. CHAIRMAN

The Board, or in the event of its failure to do so, the majority of the members of the Committee, must appoint a chairman from the directors of the Committee (the "Chairman"). If the Chairman is not present at any meeting of the Committee, an acting Chairman for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chairman shall refer the matter to the Board. The Committee may appoint a secretary who need not be a director of the Board or Committee.

4. REPORTS TO BOARD; MEETINGS, MINUTES.

4.1 Recommendations; Reports.

Regularly report to the Board on the Committee's activities, its conclusions with respect to the independent auditor and any issues that arise with respect to the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor or the performance of the internal audit function, and make appropriate recommendations to the Board.

4.2 Executive Sessions.

If necessary and appropriate, the Committee shall meet (with such frequency as it determines) with each of the independent auditor, internal auditors (or other personnel responsible for the Company's internal audit function) and management in separate executive sessions to discuss any matters that the Committee or these groups believe should be discussed privately.

4.3 Other Meetings.

Other meetings will be held with such frequency, and at such times, as the Chairperson, or a majority of the Committee determines, but not less than four times per year. Special meetings of the Committee may be called by the Chairperson and will be called promptly upon the request of any two (2) Committee members.

4.4 Meeting Procedure

Unless the Committee or the Board adopts other procedures, the provisions of the Company's Memorandum and Articles of Association applicable to meetings of Board committees will govern meetings of the Committee.

4.5 Minutes.

Minutes of each meeting will be kept with the regular corporate records.

5. SPECIFIC RESPONSIBILITIES AND DUTIES.

The Board delegates to the Committee the express authority to do the following, to the fullest extent permitted by applicable law and the Company's charter documents:

5.1 Independent Auditor.

(a) Selection; Fees.

Be solely and directly responsible for recommending to the Board, for the Board's recommendation to the shareholders, the appointment and retention of the independent auditor and, where appropriate, the termination of the independent auditor. Be solely and directly responsible for the terms of hiring, compensation, evaluation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. Such independent auditor shall report directly to and be ultimately accountable to the Board and the Committee. The Committee has the ultimate authority to approve all audit engagement fees and terms, with the costs of all engagements to be borne by the Company.

(b) Audit Team.

Review the experience and qualifications of the senior members of the independent auditor's team.

(c) Audit Plan.

Prior to the commencement of the annual audit, discuss with the independent auditor the overall scope and plan for the audit. Review, evaluate and approve the annual engagement proposal of the independent auditor.

(d) Lead Audit Partner Review, Evaluation and Rotation.

Review and evaluate the lead partner of the independent auditor. Ensure that the lead audit partner having primary responsibility for the audit and the reviewing audit partner of the independent auditor are rotated at least every five (5) years and that other audit partners (as defined by the SEC) are rotated at least every seven (7) years.

(e) Pre-Approval of Audit and Non-Audit Services.

Pre-approve all audit services and all non-audit services permitted to be performed by the independent auditor. The authority to pre-approve non-audit services may be delegated by the Committee to one (1) or more of its members, but such member's or members' non-audit service approval decisions must be reported to the full Committee at the next regularly Committee scheduled meeting. The Committee's Pre-Approval Policy is set forth as **Exhibit A** attached hereto, which may be amended or supplemented by the Committee from time to time.

(f) Statement from Independent Auditor.

At least annually, obtain and review a report from the independent auditor describing:

- (i) the independent auditor's internal quality-control procedures;

- (ii) any material issues raised by the most recent internal quality-control review (including any peer review or Public Company Accounting Oversight Board review of the independent auditor) or by any inquiry or investigation by governmental or professional authorities, within the preceding five (5) years, respecting one or more independent audits carried out by the independent auditor, and any steps taken to deal with any such issues; and
- (iii) all relationships between the independent auditor and the Company and any other factors that might affect the independence of the auditors (to assess the independent auditor's independence).

(g) Hiring Policies.

As necessary and appropriate, review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former independent auditors of the Company.

(h) Review Problems.

As necessary and appropriate, review with the independent auditor any audit problems or difficulties the independent auditor may have encountered in the course of its audit work, and management's responses, including: (i) any restrictions on the scope of activities or access to requested information; and (ii) any significant disagreements with management.

(i) Outside Auditor Independence.

As part of general discussions with the independent auditor, review, if necessary, any disclosed relationships or services that may impact the objectivity and independence of the independent auditor and take or recommend that the Board take appropriate action to oversee the independence of the outside auditors.

(j) Material Communications.

As part of general discussions with the independent auditor, discuss, if necessary, any communications between the audit team and the independent auditor's national office regarding auditing or accounting issues presented during the independent auditor's engagement.

(k) Accounting Adjustments.

As part of general discussions with the independent auditor, discuss, if necessary, any accounting adjustments that were noted or proposed by the independent auditor but were "passed" on (as immaterial or otherwise).

(l) Management or Internal Control Letters.

As part of general discussions with the independent auditor, discuss, if necessary, any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Company, including a discussion of any "material weakness" or "significant deficiency" in the design or operation of internal control over financial reporting, and any steps taken to resolve the issue.

(m) Internal Audit Function.

Discuss with the independent auditor the responsibilities, budget and staffing of the Company's internal audit function.

5.2 Internal Auditor.

Review the budget, qualifications, activities, effectiveness and organizational structure of the internal audit function and the performance, appointment and replacement of the lead internal auditor and review summaries of material audit reports and management's responses.

5.3 Financial Reporting.

(a) Annual Financials.

Review and discuss with management and the independent auditor the Company's annual audited financial statements and related notes and the Company's disclosures under "Management's Discussion and Analysis" of the Company's financial position and results of operations for the purpose of recommending approval by the Board prior to the public release of such information and/or filing with the applicable regulatory agencies. Discuss with the independent auditor the results of the annual audit, the matters required to be communicated by the independent auditor under professional standards and any other matters the Committee deems appropriate. Obtain from the independent auditor assurance that the audit was conducted in accordance with IFRS and applicable securities law, including the effectiveness of internal controls. Recommend to the Board whether the annual audited financial statements should be included in the Company's Annual Report on Form 20-F and filed with the CSC.

(b) Half-Year Financials.

Review and discuss with management and the independent auditor, as appropriate, the Company's half-year (or, if applicable, quarterly) financial statements and related notes and the Company's "Management's Discussion and Analysis" of the Company's financial position and results of operations, including the results of the independent auditor's reviews of such financial statements and the matters required to be communicated by the independent auditor under professional standards and other matters that the Committee deems material, and approve all half-year (or, if applicable, quarterly) financial statements and financial information prior to the public release of such information.

(c) Accounting Principles.

Review with management and the independent auditor major issues regarding financial reporting and accounting standards, including any material changes in the selection or application of such standards or principles followed in prior years and prior interim periods, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.

(d) Judgments.

Review reports prepared by management, by internal auditors or by the independent auditor relating to significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including an analysis of the effect of alternative IFRS methods on the Company's financial statements.

(e) Press Releases.

Discuss earnings press releases with management and the independent auditor, if appropriate (including the type and presentation of information to be included in earnings press releases, as well as financial information), prior to the public release of such information.

(f) Regulatory and Accounting Developments.

Review with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements.

5.4 Risk Assessment and Risk Management.

Discuss guidelines and policies, as they arise, with respect to financial risk exposure, financial statement risk assessment and risk management periodically with the Company's management, internal auditor, independent auditor and, where reasonably necessary, the Company's Risk Committee, and the Company's plans or processes to monitor, control and minimize such risks and exposures.

5.5 Financial Reporting Processes.

(a) Internal and External Controls.

In consultation with the independent auditor, the internal auditors and the Company's financial and accounting personnel, review the integrity, adequacy and effectiveness of the Company's control environment, and the adequacy and effectiveness of the Company's accounting and financial controls, both internal and external, and elicit any recommendations for the improvement of such internal control procedures or particular areas where new or more detailed controls or procedures are desirable.

(b) Consider Changes.

Review major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies.

(c) Reports from Independent Auditor.

Obtain and review timely reports from the independent auditor regarding:

- (i) all critical accounting policies and practices to be used by the Company;
- (ii) all alternative treatments of financial information within IFRS that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
- (iii) all other material written communications between the independent auditor and management, including any management letter or schedule of unadjusted differences.

5.6 Legal and Regulatory Compliance

(a) Annual Report and Proxy Circular on Form 20-F.

Prepare any report of the Committee required to be included in the Company's annual report on Form 20-F and/or proxy circular as required under applicable laws and rules.

(b) Reports from Others.

As necessary and appropriate, review reports and/or communications provided to the Committee by management, auditors, the general counsel, tax advisors or any regulatory agency regarding regulatory compliance, transactions with affiliates, and other legal matters that may have a material effect on the Company's financial statements and the consideration of those matters in preparing the financial statements.

(c) Code of Conduct; Waivers.

Assist, as necessary, the Compensation, Nominating and Corporate Governance Committee in monitoring the Company's compliance with the Code of Business Conduct and Ethics and Insider Trading Policy or as otherwise required by applicable law or exchange listing standards and covering the conduct and ethical behavior of directors, officers and employees.

(d) Complaints.

Establish procedures for:

- (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (ii) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters,

in substantially the form as set forth in **Exhibit C** attached hereto, which may be amended or supplemented by the Committee from time to time.

5.7 Annual Evaluation of Committee; Charter.

Annually evaluate the performance of the Committee. Review and reassess the adequacy of this Charter each year and recommend any proposed changes to the Board, as appropriate.

6. ADVISORS AND COUNSEL; RELIANCE; INVESTIGATIONS; COOPERATION.

6.1 Retention of Advisors and Counsel.

The Committee has the power, in its sole discretion, to obtain advice and assistance from, and to retain at the Company's expense, such independent counsel and other advisors and experts as it determines necessary or appropriate to carry out its duties, and in connection therewith to receive appropriate funding, determined by it, from the Company.

6.2 Administrative Expenses.

The Committee may determine the level and cost of ordinary administrative expenses necessary or appropriate in carrying out its duties, with such costs to be borne by the Company.

6.3 Reliance Permitted.

The Committee will act in reliance on management, the Company's independent auditor, advisors and experts, as it deems necessary or appropriate.

6.4 Investigations.

The Committee has the power, in its discretion, to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties with such costs to be borne by the Company.

6.5 Required Participation of Employees.

The Committee shall have unrestricted access to the Company's employees, independent auditor, internal auditors, and internal and outside counsel, and may require any employee of the Company or representative of the Company's outside counsel or independent auditor to attend meetings of the Committee or to meet with any members of the Committee or representative of the Committee's counsel, advisors or experts.

7. RULES AND PROCEDURES.

Except as expressly set forth in this Charter or the Company's Memorandum and Articles of Association or Corporate Governance Guidelines, or as otherwise provided by applicable law or the rules of NYSE, the Committee shall establish its own rules and procedures.

EXHIBIT A

SCULLY ROYALTY LTD.

AUDIT COMMITTEE

Audit and Non-Audit Services Pre-Approval Policy

I. Statement of Principles

In accordance with the requirements of the SEC rules and securities regulations, including the independence requirements of the Sarbanes-Oxley Act, and National Instrument 52-110 of the Canadian Securities Administrators, and to safeguard the continued independence of its independent auditor, all audit and non-audit services to be rendered by the Company's independent auditor and any related entities to the Company and its subsidiaries (collectively, the "Company") must be the subject of pre-approval by the Audit Committee of the Board in order to assure that they do not impair the auditor's independence from the Company. Furthermore, the Audit Committee is responsible for the appointment, compensation and oversight of the work of the independent auditor.

As set forth in this Policy, unless a type of service has received general pre-approval, it will require specific pre-approval by the Audit Committee if it is to be provided by the independent auditor. Any proposed services exceeding pre-approved cost levels or budgeted amounts will also require specific pre-approval by the Audit Committee.

The appendices to this Policy describe the Audit, Audit-related, Tax and All Other services that have the general pre-approval of the Audit Committee. The term of any general pre-approval is twelve (12) months from the date of pre-approval, unless the Audit Committee considers a different period and states otherwise. The Audit Committee will annually review and pre-approve the services that may be provided by the independent auditor without obtaining specific pre-approval from the Audit Committee. The Audit Committee will revise the list of general pre-approved services from time to time, based on subsequent determinations.

The purpose of this Policy is to set forth the procedures by which the Audit Committee intends to fulfill its responsibilities. It does not delegate the Audit Committee's responsibilities to pre-approved services performed by the independent auditor to management.

The independent auditor has reviewed this Policy and believes that implementation of the policy will not adversely affect the auditor's independence.

II. Delegation

The Audit Committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to the Audit Committee at its next scheduled meeting.

III. Audit Services

The annual Audit services engagement terms and fees will be subject to the specific pre-approval of the Audit Committee. The Audit Committee will approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, Company structure or other items.

In addition to the annual Audit services engagement approved by the Audit Committee, the Audit Committee may grant general pre-approval of other Audit services, which are those services that only the independent auditor reasonably can provide. The Audit Committee has pre-approved the Audit services in Exhibit B. The general pre-approval of the range of services set forth on Exhibit B will be brought to the Audit Committee on an annual basis for review any modification thought appropriate and approval. In

connection with such review, the Audit Committee will be provided a written description of the nature and scope, including the fee structure and terms of any oral or written side agreement(s), for all tax services to be considered for general pre-approval under Exhibit B. The potential effects of these tax services on the independence of the auditor will be discussed with them.

In the case of proposed engagements of the auditor involving any of the services covered under the range of pre-approved services under Exhibit B where the fees for a particular engagement are expected to exceed a total of \$200,000, specific pre-approval must be obtained under the provisions of Section VI below.

All other Audit services not listed in Exhibit B must be specifically pre-approved by the Audit Committee under the provisions of Section VII below.

IV. Audit-related Services

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements or that are traditionally performed by the independent auditor. The Audit Committee believes that the provision of Audit-related services does not impair the independence of the auditor, and has pre-approved Audit-related services in Exhibit B. All other Audit-related services not listed in Exhibit B must be specifically pre-approved by the Audit Committee.

V. Tax Services

The Audit Committee believes that the independent auditor can provide Tax services to the Company such as tax compliance, tax planning and tax advice without impairing the auditor's independence. However, the Audit Committee will not permit the retention of the independent auditor in connection with a transaction initially recommended by the independent auditor, the purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Audit Committee has pre-approved the Tax services in Exhibit B. All Tax services involving large and complex transactions not listed in Exhibit B must be specifically pre-approved by the Audit Committee.

VI. All Other Services

All other permissible services not listed in Exhibit B must be specifically pre-approved by the Audit Committee. Where particular pre-approval is required, the Audit Committee has delegated the authority to effect such pre-approval to the Chairman of the Audit Committee.

Under no circumstances may the Audit Committee delegate its responsibilities to the Company's management.

For greater certainty, if an engagement with the independent auditor for a particular service is contemplated that is neither prohibited nor covered under the range of services under Exhibit B, in order for such an engagement to proceed it must be the subject of individual pre-approval under Section VII.

It is the responsibility of the Company's management to determine whether a particular service is covered by the pre-approved range of services set forth on Exhibit B. Management should seek the guidance of the Chairman of the Audit Committee where there is any ambiguity about whether a particular service is pre-approved.

A list of the SEC's prohibited non-audit services is included in Exhibit B. The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions.

VII. Procedures

Requests or applications to provide services that require specific approval by the Audit Committee will be submitted to the Audit Committee by both the independent auditor and the Chief Financial Officer. If the

individual service is a tax service, a written description of the nature and scope, including fee structure and terms of any oral or written side agreement, is to be provided. The potential effect of the tax service on the independence of the auditor is to be discussed with the auditor.

All requests or applications for services to be provided by the independent auditor that do not require specific approval by the Audit Committee will be submitted to the Chief Financial Officer and must include a detailed description of the services to be rendered. The Chief Financial Officer will determine whether such services are included within the list of services that have received the general pre-approval of the Audit Committee. The Audit Committee will be informed on a timely basis of any such services rendered by the independent auditor.

VIII. Engagement Letters

Pre-approved non-audit services will be provided by the auditor pursuant to an engagement letter with the appropriate entity of the Company that satisfies each of the following requirements:

- a. the engagement letter will be in writing and signed by the auditor; and
- b. the engagement letter will set out the particular non-audit services to be provided by the auditor which, unless individually pre-approved, will be within the categories of pre-approved non-audit services described in Exhibit B.

IX. Reports of Services to the Audit Committee

At every regularly scheduled meeting of the Audit Committee, the Company's management will report on all new pre-approved engagements of the auditor since the last such report. The auditor may comment on the report if it wishes to do so. All engagement letters entered into going forward will be made available to the Audit Committee on request.

EXHIBIT B

Pre-approved Range of Services

Type of service	Description
Audit services	
Financial statement audit	<ul style="list-style-type: none"> Recurring audit of consolidated financial statements including subsidiary company and statutory audits, tax services and accounting consultations required to perform an audit in accordance with generally accepted auditing standards Reviews of half-year and/or quarterly reviews Review of tax provision reported in the consolidated and other financial statements Review of complex accounting issues with the auditor's national office in order to reach an audit judgment
Regulatory financial filings	<ul style="list-style-type: none"> Statutory and regulatory filings including prospectuses and registration statements Services relating to filings with the SEC relating to the Securities Act of 1933, as amended, and the 1934 Act, including issuance of comfort letters
Internal control attestation services	<ul style="list-style-type: none"> Attestation services relating to the report on the entity's internal controls as specified in Section 404 of the Sarbanes-Oxley Act and any similar requirements that may be introduced under other legislation/ regulations
Audit related services	
Employee benefit plan audits	<ul style="list-style-type: none"> Audit of pension and other employee benefit plans and funds
Financial due diligence in connection with acquisitions and divestitures	<ul style="list-style-type: none"> Assistance in financial and tax due diligence, including review of financial statements, financial data and records, tax returns, tax forms and tax filings, discussion with target's finance and accounting personnel Accounting consultation and audits in connection with acquisitions and divestitures
Other attest services	<ul style="list-style-type: none"> Attest services that are not required by statute or regulation
Application and general control reviews	<ul style="list-style-type: none"> Review of IT and general controls related to specific applications, including overall general computer controls, excluding those that are a part of the financial statement audit
Consultation regarding U.S. generally accepted accounting principles ("GAAP") and/or IFRS	<ul style="list-style-type: none"> Discussions, review and testing of impact of new pronouncements, acquisition accounting, and other GAAP or IFRS topics
Financial statement translation	<ul style="list-style-type: none"> Translation of statutory or regulatory financial statements and related information
Tax services	
Tax compliance	<ul style="list-style-type: none"> Preparation and/or review of income, capital, sales, use, property, excise, local, value-added tax ("VAT"), GST and/or PST and returns, filings and forms. Consultation regarding handling of items for tax returns, required disclosures, elections, and filing positions available
Tax consulting	<ul style="list-style-type: none"> Assistance with tax audits, examinations or requests for

Type of service	Description
	<p>information.</p> <ul style="list-style-type: none"> • Responding to requests regarding technical interpretations, applicable laws and regulations, and tax accounting • Tax advice on mergers, acquisitions, restructurings, financings, intercompany transactions, foreign tax credits, foreign income taxes, tax accounting, foreign earnings and profits, capital tax, sales tax, use tax, property taxes, the treatment in any jurisdiction of foreign subsidiary income, VAT, GST and/or PST, excise tax or equivalent taxes in the jurisdiction • Assistance with tax appeals that are not in front of a tax court or its equivalent • Advice regarding tax legislation or codes including interpretations, procedures and advance tax rulings or private letter rulings thereof, or their equivalent, in applicable jurisdictions in the following areas: income, capital, sales, use, property, excise, local, VAT and GST and/or PST.
Transfer pricing	<ul style="list-style-type: none"> • Advice and assistance with respect to transfer pricing matters, including preparation of reports used by the company to comply with taxing authority documentation requirements regarding royalties, services and intercompany pricing and assistance with tax exemptions
Customs and duties	<ul style="list-style-type: none"> • Compliance reviews and advice on compliance in the areas of tariffs and classification, origin, pricing, and documentation. Assistance with customs audits or requests for information
Expatriate tax services	<ul style="list-style-type: none"> • Preparation of individual income tax returns and personal tax advice (except for those in a financial reporting oversight role with respect to the company as specifically defined for this purpose by applicable rules/regulations) • Advice on impact of changes in local tax laws and consequences of changes in compensation programs or practices • Compliance and advice in relation to benefits and compensation, stock options, and tax equalization policies
Other services	
Valuation	<ul style="list-style-type: none"> • Valuation services for the preparation for non-financial reporting tax-only valuations • Valuation services to review and comment on valuations prepared by the Company or third parties
Benchmarking	<ul style="list-style-type: none"> • Benchmarking and surveys related to best practices with respect to financial reporting practices.
Information services, if applicable	<ul style="list-style-type: none"> • Annual licence for PricewaterhouseCooper's Comperio product • Licence(s) for PricewaterhouseCooper's Tax News Network product
Other	<ul style="list-style-type: none"> • Fact finding services and forensic investigations under the supervision of the Audit Committee; environmental audits; non-financial systems design and implementation.

Prohibited Non-Audit Services

The auditor may not act in any capacity where it could reasonably be seen to:

- function in the role of the Company's management;
- audit its own work; or
- serve in an advocacy role on behalf of the Company.

The auditor will not be asked to provide any services in the following areas:

- Bookkeeping or other services related to the accounting records or financial statements
- Financial information systems design and implementation
- Appraisal preparation or valuation services (other than tax-only valuation services as described above under "Other Services—Valuation"), fairness opinions or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing
- Management decision-making responsibilities or functions
- Human resource services or functions
- Broker or dealer, investment adviser or investment banking services
- Legal services or services requiring licensing as a legal practitioner
- Expert advocacy services unrelated to the audit

EXHIBIT C

SCULLY ROYALTY LTD.

PROCEDURES FOR THE SUBMISSION OF COMPLAINTS AND CONCERNS REGARDING ACCOUNTING, INTERNAL ACCOUNTING CONTROLS OR AUDITING MATTERS

1. Scully Royalty Ltd. (the "Company") has designated its Audit Committee of its Board of Directors (the "Committee") to be responsible for administering these procedures for the receipt, retention, and treatment of complaints received by the Corporation or the Committee directly regarding accounting, internal controls, or auditing matters.
2. Any employee of the Company may on a confidential and anonymous basis submit concerns regarding questionable accounting controls or auditing matters to the Committee by setting forth such concerns in a letter addressed directly to the Committee with a legend on the envelope such as "Confidential" or "To be opened by Committee only". If an employee would like to discuss the matter directly with a member of the Committee, the employee should include a return telephone number in his or her submission to the Committee at which he or she can be contacted. All submissions by letter to the Committee can be sent to:

Scully Royalty Ltd.
c/o Audit Committee
Attn: Chairperson
Room 2302, Oriental Center,
31 Wujiang Road,
Shanghai, China 200041

3. Any complaints received by the Company that are submitted as set forth herein will be forwarded directly to the Committee and will be treated as confidential if so indicated.
4. At each meeting of the Committee, or any special meetings called by the Chairperson of the Committee, the members of the Committee will review and consider any complaints or concerns submitted by employees as set forth herein and take any action it deems necessary in order to respond thereto.
5. All complaints and concerns submitted as set forth herein will be retained by the Committee for a period of seven (7) years.

SCULLY ROYALTY LTD.
COMPENSATION, NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER
(February 25, 2025)

1. PURPOSE

The purpose of the Compensation, Nominating and Corporate Governance Committee (the "Committee") of the Board of Directors (the "Board") of Scully Royalty Ltd. (the "Company") is to assist the Board in fulfilling its responsibility to the shareholders, potential shareholders and the investment community by: (i) discharging the responsibilities of the Board relating to compensation of the Company's executive officers and take such other actions within the scope of this charter (this "Charter") as the Committee deems necessary or appropriate; (ii) identifying individuals qualified to become members of the Board, consistent with criteria approved by the Board; (iii) selecting, or recommending that the Board select, the director nominees for each annual meeting of shareholders; (iv) developing and recommending to the Board a set of Corporate Governance Guidelines applicable to the Company; (v) overseeing the evaluation of the Board and management; and (vi) taking such other actions within the scope of this Charter as the Committee deems necessary or appropriate.

The Company's compensation policies should be designed to allow the Company to recruit and retain superior talent and create a significant direct relationship between pay and benefit levels and performance. Compensation payable to the Company's executives should provide overall competitive pay and benefit levels, create proper incentives to enhance the value of the Company, and reward superior performance.

The basic responsibility of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that responsibility, the Committee, to the extent it deems necessary or appropriate, shall be entitled to rely on the expertise, skills and knowledge of the Company's management and its outside advisors and auditors and on the integrity and accuracy of the information provided to the Committee by such persons.

2. COMPOSITION

The Committee shall consist of at least three (3) directors as determined by the Board. All members of the Committee meet the applicable independence requirements of applicable law and the rules of the Securities and Exchange Commission (the "SEC"), including the applicable independence requirements of the *Sarbanes-Oxley Act of 2002*, the applicable Canadian securities commissions ("CSC") and the New York Stock Exchange (the "NYSE") in effect from time to time (subject to any exceptions allowed by such rules and any waivers granted by such authorities).

The members of the Committee shall be appointed by and serve at the discretion of the Board and shall serve until their successors are appointed. Committee members will be elected annually for a term of one (1) year. Vacancies will be filled by a majority vote of the Board, subject to such new committee members(s) satisfying the independence requirements established by applicable laws and regulations. Except as expressly provided in this Charter or the Memorandum and Articles of Association of the Company, the Committee shall fix its own rules of procedure. The Board may remove a member of the Committee at any time in its sole discretion by ordinary resolution of the Board.

3. CHAIRPERSON

The Board, or in the event of its failure to do so, the majority of the members of the Committee, must appoint a chairperson from the directors of the Committee (the "Chairperson"). If the Chairperson is not present at any meeting of the Committee, an acting Chairperson for the meeting shall be chosen by majority vote of the Committee from among the directors present. In the case of a deadlock on any matter or vote, the Chairperson shall refer the matter to the Board. The Committee may appoint a secretary who need not be a director of the Board or Committee.

4. MEETINGS

Unless the Committee or the Board adopts other procedures, the provisions of the Company's Memorandum and Articles of Association applicable to the meetings of Board committees will govern meetings of the Committee.

5. MINUTES

Minutes of each meeting will be kept with the regular corporate records.

6. SPECIFIC RESPONSIBILITIES AND DUTIES

The Board delegates to the Committee the express authority to do the following, to the fullest extent permitted by applicable law and the Company's charter documents:

- 6.1 Review, evaluate and make recommendations to the Board with respect to the management's proposals regarding the Company's overall compensation policies.
- 6.2 Review and approve annually the corporate goals and objectives relevant to the compensation of the Chief Executive Officer (the "CEO"), evaluate at least annually the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation level (including, but not limited to, salary, long and short-term incentive plans, retirement plans, deferred compensation plans, equity award plans, change in control or other severance plans, as the Committee deems appropriate) based on this evaluation.
- 6.3 In consultation with the CEO, consider and make recommendations to the Board in connection with the selection, retention and remuneration arrangements for other executive officers and employees with compensation arrangements that meet the requirements for Committee review, and review and make recommendations to the Board regarding compensation plans in which such executive officers and employees are eligible to participate. Such remuneration arrangements can include long and short term incentive plans, retirement plans, deferred compensation plans, equity award plans, change in control or other severance plans, as the Committee deems appropriate.
- 6.4 Make recommendations to the Board with respect to the Company's adoption or amendment of incentive compensation plans and equity based compensation plans, and administer such plans and approve award grants thereunder to eligible persons (other than grants to members of the Board who are not otherwise employed with the Company or any of its subsidiaries, any of which grants shall be determined by the Board).
- 6.5 Except as otherwise determined by the Board, review the other compensation plans of the Company in light of Company and plan objectives, needs, and current benefit levels.
- 6.6 Review and make recommendations to the Board with respect to the compensation for the Board and committee members.
- 6.7 Monitor and make recommendations with respect to succession planning for the CEO and other officers.
- 6.8 Review and discuss with management any Compensation Discussion & Analysis (the "CD&A") to be included in the Company's proxy circular, as applicable, and determine whether to recommend to the Board that the CD&A be included in the Company's proxy circular. Produce an annual report on executive officer compensation for inclusion in the Company's proxy circular as required by applicable securities law.
- 6.9 Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. Publish the Charter as required by the rules and regulations of applicable law and as otherwise deemed advisable by the Committee.
- 6.10 Make recommendations and report to the Board and other Board committees with respect to compensation policy of the Company or any of the foregoing matters.
- 6.11 Evaluate the size and composition of the Board, develop criteria for Board membership, and evaluate the independence of existing and prospective directors.
- 6.12 Actively seek and evaluate qualified individuals to become new directors as needed. The Committee shall review and develop the Board's criteria for selecting new directors, including

standards for director independence. The Committee shall establish procedures to solicit, review, and recommend to the Board, potential director nominees proposed by shareholders. The Committee shall select or recommend that the Board select the director nominees for the annual meeting of shareholders.

- 6.13 With regard to diversity, consider candidates for the Board regardless of gender, ethnicity and national origin. Any search firm retained to assist the Committee in seeking candidates for the Board will affirmatively be instructed to seek to include diverse candidates from traditional and nontraditional candidate groups.
- 6.14 Promptly review the suitability of each Board member for continued service when his or her term expires, when he or she has a significant change in status, and when he or she fails to meet minimum attendance requirements.
- 6.15 Evaluate the nature, structure and operations (including the authority to delegate to subcommittees) of other Board committees. The Committee shall make recommendations to the Board as to qualifications of members of the Board's committees, committee member appointment and removal, and committee reporting to the Board.
- 6.16 Take such steps as the Committee deems necessary or appropriate with respect to oversight of the evaluation of the Board, management and each Board committee and make recommendations to the Board, as appropriate.
- 6.17 Develop and recommend to the Board a set of Corporate Governance Guidelines applicable to the Company. The Committee shall review and reassess at least annually the adequacy of the Corporate Governance Guidelines of the Company and recommend any proposed changes to the Board for approval.
- 6.18 Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall publish the Charter as required by the rules and regulations of applicable law and as otherwise deemed advisable by the Committee.
- 6.19 Annually review its own performance. The Committee may report the results of its performance evaluation to the Board through an oral report by the Chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.
- 6.20 Make recommendations and report to the Board and other Board committees with respect to nominating and corporate governance policies of the Company or any of the foregoing matters.
- 6.21 Oversee and review the Company's process for providing information to the Board, assessing the channels through which information is received, and the quality and timeliness of the information received.
- 6.22 Receive comments from all directors and report annually to the Board with an assessment of the Board's performance, which will be discussed with the full Board following the end of each fiscal year.
- 6.23 Develop with management and monitor the process of orienting new directors and continuing education for existing directors.
- 6.24 Perform any other activities consistent with this Charter, the Company's Memorandum and Articles of Association and governing law as the Committee or the Board deems necessary or appropriate.
- 6.25 Require compliance with the Company's Code of Business Conduct and Ethics and review the adequacy and effectiveness of any procedures that may ensure proper compliance.

7. RELIANCE; EXPERTS; COOPERATION

- 7.1 The Committee has the power, in its discretion, to retain at the Company's expense such independent counsel and other advisors and experts as it deems necessary or appropriate to carry out its duties. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search firm's fees and other retention terms.
- 7.2 The Committee has the power, in its sole discretion, to select, retain and obtain at the Company's expense the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent counsel and such other advisors and experts as it deems necessary or appropriate to carry out its duties as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of its independent counsel and other advisors and experts. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, independent legal counsel or other advisor to the compensation committee, and the authority granted under this charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.
- 7.3 The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.
- 7.4 The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.
- 7.5 The Committee has the power, in its discretion, to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties.
- 7.6 In carrying out its duties, the Committee will act in reliance on management, the independent public accountants, internal auditors, and outside advisors and experts, as it deems necessary or appropriate.
- 7.7 The Committee will have unrestricted access to advisors and counsel, and anyone else in the Company, and may require any officer or employee of the Company or the Company's outside counsel or independent public accountants to attend a meeting of the Committee or to meet with any members of, or consultants or advisors to, the Committee.

APPENDIX "1"

**LIST OF DIRECTORS
OF SCULLY ROYALTY LTD.**

(November 28, 2025)

Directors

Michael J. Smith
Samuel Morrow
Dr. Shuming Zhao
Silke S. Stenger
Jochen Dümler

APPENDIX "2"

**COMMITTEES OF BOARD OF DIRECTORS
OF SCULLY ROYALTY LTD.**

(November 28, 2025)

Committees

Audit

Compensation, Nominating and Corporate Governance

Members

Silke S. Stenger
Dr. Shuming Zhao
Jochen Dümler

Silke S. Stenger
Jochen Dümler
Dr. Shuming Zhao

APPENDIX "3"

**CODE OF BUSINESS CONDUCT AND ETHICS
AND INSIDER TRADING POLICY**

(December 18, 2021)

(see attached)

**SCULLY ROYALTY LTD.
CODE OF BUSINESS CONDUCT AND ETHICS AND INSIDER TRADING POLICY**

(December 18, 2021)

The Board of Directors (the "Board") of Scully Royalty Ltd. (the "Company") has adopted this Code of Business Conduct and Ethics (the "Code"). This Code applies to the directors, officers and employees of the Company (the "Covered Persons"), and, for the purposes certain insider trading prohibitions, Restricted Persons (as defined below). This Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all Covered Persons. All Covered Persons should conduct themselves accordingly and seek to avoid the appearance of improper behavior in any way relating to the Company.

If a law conflicts with a policy in the Code, you must comply with the law. Any Covered Person who has any questions about the Code should consult with such person's supervisor, the Chief Executive Officer, the Chair of Company's audit committee (the "Audit Committee") or the Board.

Those who violate the law or the standards in the Code will be subject to disciplinary action, up to and including immediate termination, and may be subject to substantial civil damages, criminal fines and prison terms. The Company may also face substantial fines and penalties and may incur damage to its reputation and standing in the community.

The Company has adopted the Code for the purpose of promoting honest and ethical behavior and conduct, including:

- ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- full, fair, accurate, timely and understandable disclosure in all reports and documents that the Company files with, or submits to, the Securities and Exchange Commission ("SEC"), and other securities regulatory authorities and in other public communications made by the Company;
- compliance with applicable governmental laws, rules and regulations;
- prompt internal reporting of violations of this Code to an appropriate person or persons identified herein; and
- accountability for adherence to the Code.

The Code is a statement of certain fundamental principles, policies and guidelines that govern the Company's Covered Persons in the conduct of the Company's business. It is not intended to and does not create any rights in any employee, customer, supplier, competitor, shareholder, or any other person or entity.

CONFLICTS OF INTEREST

Each Covered Person must adhere to a high standard of business ethics and is expected to make decisions and take actions based on the best interests of the Company, as a whole, and not based on private relationships or benefits. A conflict situation can arise when a Covered Person takes actions or has interests that may make it difficult to perform his or her work for the company objectively and effectively.

Conflicts of interest also arise when a Covered Person or a member of his or her family receives improper personal benefits, including without limitation improper gifts, entertainment or other benefits, as a result of his or her position in the Company. "Members of his or her family" means a Covered Person's spouse, parents, children, siblings, grandparents, stepmother, stepfather, stepsisters, stepbrothers, stepchildren, uncles, aunts, nephews, nieces, cousins, in-laws within one of these categories, or any other person with whom you have a significant close personal relationship as determined by the Company. Loans by the Company to, or guarantees of obligations of, such Covered Person or members of his or her family are of special concern and could constitute improper personal benefits to the recipients of such loans or guarantees, depending on the facts and circumstances. Loans by the Company to, or guarantees by the Company of obligations of, any director or officer or their family members are

expressly prohibited.

Conflicts of interest may not always be clear-cut. Any Covered Person who has any questions as to whether a conflict of interest exists should consult with such person's supervisor, the Chief Executive Officer, the Chair of Company's Audit Committee or the Board.

Examples of clear conflict of interest situations that should always be raised with the Chair of the Audit Committee are listed below. These examples are not a comprehensive list of all possible conflicts of interest.

- any significant ownership interest in any supplier or customer;
- any consulting or employment relationship with any supplier, customer or competitor;
- any outside business activity that detracts from a Covered Person's ability to devote appropriate time and attention to his or her responsibilities within the Company;
- the receipt of not insignificant gifts from any company or person with which the Company have current or prospective business dealing;
- being in the position of supervising, reviewing or having any influence on the job evaluation, pay or benefit of any immediate family member of a Covered Person; and
- selling anything to or buying anything from the Company, except on the same terms and conditions as comparable officers or directors are permitted to buy or sell.

Business decisions and actions must be made in the best interests of the Company and should not be influenced by private considerations or relationships. Relationships with the Company's stakeholders, including suppliers, competitors and customers, should not in any way affect a Covered Person's responsibility and accountability to the Company.

Specifically, each Covered Person must:

1. act with integrity, including being honest and candid while still maintaining the confidentiality of information when required or consistent with the Company's policies;
2. avoid violations of the Code, including actual or apparent conflicts of interest with the Company in personal and professional relationships;
3. disclose to the Board or the Audit Committee any material transaction or relationship that could reasonably be expected to give rise to a breach of the Code, including actual or apparent conflicts of interest with the Company;
4. obtain approval from the Board or Audit Committee before making any decisions or taking any action that could reasonably be expected to involve a conflict of interest or the appearance of a conflict of interest;
5. observe both the form and spirit of laws and governmental rules and regulations, accounting standards and Company policies;
6. maintain a high standard of accuracy and completeness in the Company's financial records;
7. ensure full, fair, timely, accurate and understandable disclosure in the Company's periodic reports;
8. report any violations of the Code to the Board or Audit Committee;
9. proactively promote ethical behavior among peers in his or her work environment; and
10. maintain the skills appropriate and necessary for the performance of his or her duties.

In the event of a violation of the conflicts of interest law, a Covered Person may, under applicable state law, not be entitled to any indemnification payments by the Company. Further, insurance coverage for directors and officers may not be applicable due to a traditional exception with respect to any conduct in connection with a conflict of interest.

DISCLOSURE OF COMPANY INFORMATION

As a result of the Company's status as a public company, it is required to file periodic and other reports with the SEC and other applicable securities regulatory authorities. The Company takes its public disclosure responsibility seriously to ensure that these reports furnish the marketplace with full, fair, accurate and timely disclosure regarding the financial and business condition of the Company. All disclosures contained in reports and documents filed with or submitted to the SEC, Canadian securities regulatory authorities, or other government agencies on behalf of the Company or contained in other public communications made by the Company must comply with applicable U.S. federal securities laws, applicable SEC rules and laws, other applicable securities laws, rules, policies and instruments, and the requirements of stock exchanges applicable to the Company (collectively, the "Securities Laws") and must be complete and correct in all material respects. The Covered Persons, in relation to his or her area of responsibility, must be committed to providing timely, consistent and accurate information, in compliance with applicable Securities Laws. It is imperative that this disclosure be accomplished consistently during both good times and bad and that all parties in the marketplace have equal or similar access to this information.

Each Covered Person who contributes in any way to the preparation or verification of the Company's financial statements and other financial information must ensure that all of the Company's books, records, accounts and financial statements are accurately maintained in reasonable detail, must appropriately reflect the Company's transactions, and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the book" funds, assets or liabilities should not be maintained unless permitted by applicable law or regulation. Covered Persons involved in the preparation of the Company's financial statements must prepare those statements in accordance with the English language version of International Financial Reporting Standards as issued by the International Accounting Standards Board and applicable rules and regulations. Further, it is important that financial statements and related disclosures be free of material errors.

Specifically, each Covered Person who is involved in the Company's disclosure process must:

1. familiarize himself or herself with the disclosure requirements generally applicable to the Company including the Company's disclosure controls and procedures and its internal control over financial reporting;
2. not knowingly misrepresent, or cause others to misrepresent, facts about the Company to others, including the Company's independent auditors, governmental regulators, self-regulating organizations and other governmental officials;
3. to the extent that he or she participates in the creation of the Company's books and records, promote the accuracy, fairness and timeliness of those records;
4. in relation to his or her area of responsibility, properly review and critically analyse proposed disclosure for accuracy and completeness;
5. cooperate fully with the Company's accounting and internal audit departments, as well as the Company's independent public accountants and counsel; and
6. take all necessary steps to ensure that all filings with the SEC and the Canadian securities regulatory authorities and all other public communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure.

CONFIDENTIAL INFORMATION

Covered Persons must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, suppliers, joint venture partners, or others with whom the Company is considering a business

or other transaction except when disclosure is authorized by the Board or an executive officer or required or mandated by laws or regulations. Confidential information includes, without limitation, all non-public information that might be useful or helpful to competitors, or harmful to the Company or its customers or suppliers, if disclosed. It also includes information that suppliers, customers and other parties have entrusted to the Company. The obligation to preserve confidential information continues even after employment ends.

Records containing personal data about employees or private information about customers and their employees are confidential. They are to be carefully safeguarded, kept current, relevant and accurate. They may be disclosed only to authorized personnel or as required by law.

All inquiries regarding the Company from non-employees, such as financial analysts and journalists, should be directed to the Chief Executive Officer or the Board. The Company's policy is to cooperate with every reasonable request of government investigators for information. At the same time, the Company is entitled to all the safeguards provided by law for the benefit of persons under investigation or accused of wrongdoing, including legal representation. If a representative of any government or government agency seeks an interview or requests access to data or documents for the purposes of an investigation, the Covered Person should refer the representative to the Chief Executive Officer, the Board or the Audit Committee. Covered Persons also should preserve all materials, including documents and e-mails that might relate to any pending or reasonably possible investigation.

COMPLIANCE WITH LAWS

The Covered Persons must respect and obey all applicable foreign, federal, state, provincial and local laws, rules and regulations of the jurisdiction in which the Company operates. Although not all Covered Persons are expected to know the details of all such applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from appropriate personnel. Questions about compliance should be addressed to the Covered Person's supervisor or the Company's Chief Executive Officer.

Securities Laws impose certain obligations upon public companies, such as the Company, to disclose material information. Persons who have knowledge of material nonpublic information relating to public companies are prohibited from trading in shares and other securities under several securities and criminal laws. All Covered Persons will comply with the requirements of applicable law relating to trading shares and other securities.

A Covered Person is prohibited from trading in the Company's securities if he or she possesses material non-public information or during a blackout period, as more fully described below. Furthermore, if, during the course of a Covered Person's service with the Company, he or she acquires material non-public information about another company, such as one of our customers or suppliers, or learns that the Company is planning a major transaction with another company (such as an acquisition), the Covered Person is restricted from trading in the securities of the other company if he or she possesses material non-public information regarding the affairs of such other company.

Information about an entity is "material":

- if a reasonable investor would consider it important in making a decision to buy, sell or hold the entity's securities; or
- if a reasonable investor would view the information as significantly altering the total mix of information in the marketplace about the issuer of the security.

The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, a Covered Person must wait until the close of business on the second trading day after the information was publicly disclosed before he or she can treat the information as public.

Non-public information may include:

- information available to a select group of analysts or brokers or institutional investors;

- undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and
- information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two or three days).

Covered Persons who are not sure whether information is "material" or "non-public information" should consult with the Company's Chief Executive officer or legal counsel for guidance before engaging in a transaction or assume that the information is "non-public" and treat it as confidential.

Covered Persons also are prohibited from giving "tips" to other people on material non-public information, that is directly or indirectly disclosing such information to any other person, including family members, other relatives and friends, who may trade in shares of the Company's stock or other securities on the basis of such information. Securities Laws prohibit these "tips", in addition to any trades that may result.

Whether or not they are in possession of material non-public information, Covered Persons shall not trade in shares and other securities of the Company two trading days prior to the day of the announcement of the Company's quarterly, half-yearly and annual financial results, as applicable, or during the two full trading days after the announcement is made. For example, if half-yearly results are announced on a Wednesday prior to market opening, trading would be prohibited during the preceding Monday and Tuesday, and during Wednesday and Thursday, being two trading days after the announcement. During these periods, Covered Persons may possess, or be perceived as possessing, material non-public information and any trading in shares or securities of the Company may be, or may be perceived as being, improper. More stringent restrictions, including quarterly trading blackout periods, are applicable to the Company's directors, Chief Executive Office, Chief Financial Officer, Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer, Controller, persons performing similar functions within the Company (collectively, the "Executive Officers"), Vice Presidents, all other persons who report directly to the Executive Officers, and all other personnel with exposed and prominent functions in connection with the reports filed by the Company designated as a "Restricted Person" from time to time by an Executive Officer, a Vice President or director of the Company (collectively, "Restricted Persons").

Restricted Persons are prohibited from engaging in "transactions" in the Company's securities during annual scheduled blackout periods. Such scheduled blackout periods generally are:

- (1) if the Company publicly reports its financial results on a half-yearly basis, the respective periods commencing 60 days prior to the date that the Company reports its financial results for each of its half-year and full fiscal year and ending on the second trading day following the release of the Company's financial results for such respective period to the news media; or
- (2) if the Company publicly reports its financial results on a quarterly basis, the last business day of a quarter, including year-end, and continue until the opening of trading on the second trading day following release of the Company's financial results to the news media.

Blackout periods may also be prescribed from time to time as a result of special circumstances relating to the Company, such as negotiation of mergers, acquisitions or dispositions). If the Company imposes a special blackout period, it will notify the Restricted Persons affected. Notwithstanding the blackout periods described above, a Covered Person or Restricted Person may not engage in Transactions in the Company's securities if he or she is in possession of material non-public information.

"Transactions" include virtually all dealings in the Company's securities held by the Restricted Person. Therefore, routine transactions, such as purchases and sales of common shares of the Company and exercises of options, are all "transactions" prohibited during blackout periods. Transfers to trusts and other changes in the nature of the Restricted Person's ownership -- for example, from direct to indirect -- even if there is no net change -- are also "transactions". Finally, Restricted Persons are reminded that a "transaction" includes not only the Restricted Persons' own personal transactions, but also transactions in the Company's securities beneficially owned by the Restricted Persons or over which the Restricted Persons exercise control or direction.

Covered Persons or Restricted Persons who trade or inform in contravention of the above prohibitions against

insider trading may be subject to criminal, civil and statutory penalties, including civil liabilities. In addition to these and other potential legal consequences, such persons would be accountable to the Company for any benefit or advantage received by them, and subject to disciplinary action, which may include immediate dismissal.

CORPORATE OPPORTUNITIES

Covered Persons are prohibited from: (a) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position; (b) using Company property, information or position for personal gain; and (c) competing with the Company. Covered Persons owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

FAIR DEALING

Each Covered Person should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. No Covered Person should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

PROTECTION AND PROPER USE OF COMPANY ASSETS

Covered Persons should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All listed company assets should be used for legitimate business purposes. To ensure the protection and proper use of the Company's assets, each Covered Person should:

- exercise reasonable care to prevent theft, damage or misuse of Company property;
- report the actual or suspected theft, damage or misuse of Company property to a supervisor;
- use the Company's telephone system, other electronic communication services, written materials and other property primarily for business-related purposes;
- safeguard all electronic programs, data, communications and written materials from inadvertent access by others; and
- use Company property only for legitimate business purposes, as authorized in connection with such Covered Person's job responsibilities, or as otherwise permitted herein.

Company property includes all data and communications transmitted or received to or by, or contained in, the Company's electronic or telephonic systems. Company property also includes all written communications. Covered Persons and other users of this property should have no expectation of privacy with respect to these communications and data. To the extent permitted by law, the Company has the ability, and reserves the right, to monitor all electronic and telephonic communication. These communications may also be subject to disclosure to law enforcement or government officials.

REPORTING ACTUAL AND POTENTIAL VIOLATIONS OF THE CODE AND ACCOUNTABILITY FOR COMPLIANCE WITH THE CODE

The Company, through the Board or the Audit Committee, is responsible for applying this Code to specific situations in which questions may arise and has the authority to interpret this Code in any particular situation. This Code is not intended to provide a comprehensive guideline for Covered Persons in relation to their business activities with the Company. Any Covered Person may seek clarification on the application of this Code from the Board or the Audit Committee.

Each Covered Person must:

1. notify the Audit Committee of any existing or potential violation of laws, rules, regulations or this Code by a director or executive officer and such Covered Person's supervisor or the Chief Executive

Officer of any existing or potential violation of this Code, and failure to do so is itself a breach of the Code; and

2. not retaliate, directly or indirectly, or encourage others to do so, against any employee or Covered Person for reports, made in good faith, of any misconduct or violations of the Code solely because that employee or Covered Person raised a legitimate ethical issue.

The Board or the Audit Committee will take all action it considers appropriate to investigate any breach of the Code reported to it. All Covered Persons, directors and employees are required to cooperate fully with any such investigation and to provide truthful and accurate information. If the Board or the Audit Committee determines that a breach has occurred, it will take or authorize disciplinary or preventative action as it deems appropriate, after consultation with the Company's counsel if warranted, up to and including termination of employment. Where appropriate, the Company will not limit itself to disciplinary action but may pursue legal action against the offending Covered Person involved. In some cases, the Company may have a legal or ethical obligation to call violations to the attention of appropriate enforcement authorities.

Compliance with the Code may be monitored by audits performed by the Board, the Audit Committee, the Company's counsel and/or by the Company's outside auditors. All Covered Persons, directors and employees are required to cooperate fully with any such audits and to provide truthful and accurate information.

Any waiver of this Code for any Covered Person may be made only by the Board or the Audit Committee and will be promptly disclosed in accordance with applicable Securities Laws.

This Code of Business Conduct and Ethics is not a contract of employment or a guarantee of continuing policy of the Company. The Company may amend, supplement or discontinue this Code of Business Conduct and Ethics or any part of it at any time in its sole discretion.

APPENDIX "4"

**AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION
OF SCULLY ROYALTY LTD.**

(see attached)

**THE COMPANIES LAW (REVISED)
OF THE CAYMAN ISLANDS**

MFC BANCORP LTD.

An Exempted Company Limited By Shares

**AMENDED AND RESTATED
MEMORANDUM AND ARTICLES OF ASSOCIATION**

(Adopted by special resolution dated 12 July 2017)



**THE COMPANIES LAW (REVISED)
OF THE CAYMAN ISLANDS**

**AMENDED AND RESTATED
MEMORANDUM OF ASSOCIATION**

OF

MFC BANCORP LTD.

An Exempted Company Limited by Shares

(Adopted by special resolution dated 12 July 2017)

1 NAME

The name of the Company is MFC Bancorp Ltd.

2 STATUS

The Company is a company limited by shares.

3 REGISTERED OFFICE

The registered office of the Company is at Harneys Services (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands or at such other place as the Directors may from time to time decide.

4 OBJECTS AND CAPACITY

Subject to paragraph 9 of this Memorandum, the objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the Companies Law or any other law of the Cayman Islands. The Company is a body corporate capable of exercising all the functions of a natural person of full capacity, irrespective of any question of corporate benefit.

5 SHARE CAPITAL

The share capital of the Company is USD 450,000 divided into 300,000,000 Common Shares of USD 0.001 par value each and 150,000,000 Preference Shares divided into USD 0.001 par value each

6 LIABILITY OF MEMBERS

The liability of each Member is limited to the amount from time to time unpaid on such Member's Shares.



7 CONTINUATION

The Company may exercise the powers contained in the Companies Law to transfer and be registered by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be de-registered in the Cayman Islands.

8 DEFINITIONS

Capitalised terms used and not defined in this Memorandum of Association shall bear the same meaning as those given in the Articles of Association of the Company.

9 EXEMPTED COMPANY

The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands, provided that nothing in this section shall be construed as preventing the Company from effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.



**THE COMPANIES LAW (REVISED)
OF THE CAYMAN ISLANDS**

**AMENDED AND RESTATED
ARTICLES OF ASSOCIATION**

OF

MFC BANCORP LTD.

An Exempted Company Limited By Shares

(Adopted by special resolution dated 12 July 2017)

1 DEFINITIONS AND INTERPRETATION

- 1.1 The Regulations contained in Table A in the First Schedule to the Companies Law do not apply to the Company. In these Articles of Association, if not inconsistent with the context, the following words and expressions shall have the following meanings:

Articles means these Articles of Association;

Common Share means a voting share in the capital of the Company designated as a Common Share and having the rights, and being subject to the restrictions, provided for in these Articles;

Companies Law means the Companies Law (Revised), as amended or re-enacted from time to time;

Company means the above named company;

Director means a director of the Company appointed in accordance with these Articles;

Distribution means a distribution, dividend (including an interim dividend) or other payment or transfer of property of the Company on or in respect of a Share (save in respect of its redemption or repurchase);

Electronic Transactions Law means the Electronic Transactions Law of the Cayman Islands;

Member has the same meaning as in the Companies Law;

Memorandum means the Memorandum of Association of the Company;

Officer means any person appointed by the Directors to hold an office in the Company;

Ordinary Resolution means a resolution:



- (a) passed by a majority of such Members as, being entitled to do so, vote in person or by proxy at a general meeting of the Company; or
- (b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members.

Preference Share means a share in the capital of the Company designated as a Preference Share and having the rights, and being subject to the restrictions, provided for in these Articles;

Register of Directors and Officers means the register of Directors and Officers maintained by the Company in accordance with these Articles;

Register of Members means the register of Members referred to in these Articles;

Registrar means the Registrar of Companies and includes the Deputy Registrar of Companies;

Registered Office means the registered office for the time being of the Company;

Seal means any seal which has been duly adopted as the common seal of the Company and includes every duplicate seal;

Secretary means the person appointed to perform any or all of the duties of secretary of the Company, including any assistant secretary;

Share means a share in the capital of the Company issued or authorised to be issued by the Company;

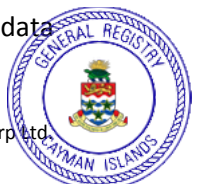
Special Resolution means a special resolution passed in accordance with Section 60 of the Companies Law, being a resolution:

- (a) passed by a majority of not less than two-thirds of such Members as, being entitled to do so, vote in person or by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given; or
- (b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members;

Subscriber means the subscriber to the Memorandum;

Treasury Share means a Share that has been repurchased, redeemed, surrendered to or otherwise acquired by the Company and not cancelled; and

Written includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data



interchange and electronic mail in accordance with the Electronic Transactions Law and in writing shall be construed accordingly.

1.2 In the Memorandum and these Articles, unless the context otherwise requires a reference to:

- (a) words importing the masculine gender include the feminine gender;
- (b) any Cayman Islands law or regulation, is a reference to such law or regulation as amended or re-enacted from time to time;
- (c) the singular includes the plural and vice versa;
- (d) a person includes all legal persons and natural persons; and
- (e) legal persons include all forms of corporate entity and any other person having capacity to act in its own name created by or in accordance with the laws or regulations of any jurisdiction.

1.3 Headings are for ease of reference only and shall be disregarded in interpreting the Memorandum and the Articles.

2 COMMENCEMENT OF BUSINESS

2.1 **Commencement.** The business of the Company may be commenced at such time as determined by the Directors.

2.2 **Commencement Costs and Expenses.** The Directors may pay, out of capital or other money of the Company, all costs and expenses incurred in the establishment and registration of the Company.

3 REGISTERED SHARES

3.1 **Registered Shares.** The Company shall issue registered Shares only.

3.2 **No Bearer Shares.** The Company is not authorised to issue bearer Shares, convert registered Shares to bearer Shares or exchange registered Shares for bearer Shares.

4 SHARE CERTIFICATES

4.1 **Share Certificates.** Every Member holding Shares shall be entitled to a certificate signed by a Director or Secretary, or any other person authorised by a resolution of the Directors, or under the Seal specifying the number of Shares held by him and the signature of the Director, Secretary or authorised person and the Seal may be facsimiles or affixed by electronic means pursuant to the Electronic Transactions Law.

4.2 **Indemnity and Replacement.** Any Member receiving a certificate shall indemnify and hold the Company and its Directors and Officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed or, in connection with any proposed share transfer, a new certificate may be issued, on production of



the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by the Directors.

- 4.3 **Joint Holders.** If several Members are registered as joint holders of any Shares, any one of such Members may give an effectual receipt for any share certificate. In respect of Shares held jointly by several persons, the Company shall not be bound to issue a certificate or certificates to each such person and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

5 ISSUE OF SHARES

- 5.1 **Issue.** Subject to the provisions, if any, of the Memorandum and directions given by any Ordinary Resolution and the rights attaching to any class of existing Shares, the Directors may issue, allot, grant options, rights or warrants over or otherwise dispose of Shares and other securities of the Company at such times, to such persons, for such consideration and on such terms as the Directors may determine. On the allotment of any Share the Directors shall designate the class and, if applicable, series to which such Share shall belong. Notwithstanding and without prejudice to the generality of the foregoing, the Directors are expressly authorized and empowered to implement or effect, at their sole discretion, any shareholder rights plan or similar plan, agreement or arrangement pursuant to which, under circumstances provided therein, some or all Members will have rights to acquire Shares, including Common Shares, or interests in Shares, including Common Shares, at a discounted price, upon such terms and conditions as the Directors deem expedient and in the best interests of the Company, including, without limitation, the issuance of a preference share purchase right to be issued on a pro rata basis to each holder of Common Shares with such terms and for such purposes, including the influencing of takeovers, as may be described in a rights agreement between the Company and a rights agent. Upon approval of the Directors, such number of Common Shares or other Shares or securities of the Company, as may be required for such purposes shall be reserved for issuance in connection with an option, right, warrant or other security of the Company or any other person that is exercisable for, convertible into, exchangeable for or otherwise issuable in respect of such Common Shares or other Shares or securities of the Company.

- 5.2 **Subscriber Share.** Notwithstanding the preceding Article, the Subscriber shall have the power to:

- (a) issue one Share to itself;
- (b) transfer that Share by an instrument of transfer to any person; and
- (c) update the Register of Members in respect of the issue and transfer of that Share.

- 5.3 **Common Shares.** Each Common Share confers on the holder thereof the following rights:

- (a) **As to voting:** The holder of a Common Share shall (in respect of such Share) have the right to receive notice of, or attend and vote as a Member at, any general meeting of the Company or separate meeting of the holders of Common Shares convened in accordance with these Articles;
- (b) **As to income:** The holder of a Common Share shall have the right to receive dividends declared by the Company in respect of the relevant class in accordance with the provisions of these Articles and the terms of issue of the Common Share; and



- (c) **As to capital:** The holder of a Common Share shall have the right on the winding up or dissolution of the Company to participate in the surplus assets of the Company in accordance with the provisions of these Articles and the terms of issue of the Common Share.

5.4 **Preference Shares.** Preference Shares may be issued from time to time in one or more classes or series, each of such classes or series to have such voting powers (full or limited or without voting powers) designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof as are stated and expressed, or in any resolution or resolutions providing for the issue of such classes or series adopted by the Directors as hereinafter provided. Authority is hereby granted to the Directors, subject to the provisions of the Memorandum, these Articles and applicable law, to create one or more classes or series of Preference Shares and, with respect to each such class or series, to fix by resolution or resolutions, without any further vote or action by the Members of the Company providing for the issue of such class or series, such rights and restrictions upon such Preference Shares as the Directors may determine, including:

- (a) the number of Preference Shares to constitute such class or series and the distinctive designation thereof;
- (b) the voting rights, if any, of the Preference Shares of such class or series;
- (c) transfer restrictions and rights of first refusal with respect to the Preference Shares of such class or series
- (d) the dividends or other Distributions, if any, payable on such class or series, whether any such dividends or other Distributions shall be cumulative, and, if so, from what dates, the conditions and dates upon which such dividends or other Distributions shall be payable, the preference or relation which such dividends or other Distributions shall bear to the dividends or other Distributions payable on any Shares of any other class or any other series of Preference Shares;
- (e) whether the Preference Shares of such class or series shall be subject to redemption by the Company, and, if so, the times, prices and other conditions of such redemption;
- (f) whether the Preference Shares of such class or series shall be convertible into, or exchangeable for, Shares of any other class or classes or any other series of the same or any other class or classes of Shares and the conversion price or prices or rate or rates, or the rate or rates at which such exchange may be made, with such adjustments, if any, as shall be states and expressed or provided in such resolutions or resolutions;
- (g) the amounts or amounts payable upon the Preference Shares of such class or series upon, and the rights of the holders of such class or series in, a voluntary or involuntary liquidation, dissolution or winding up, or upon any distribution of the assets of the Company;
- (h) the conditions or restrictions, if any, upon the creation of indebtedness of the Company or upon the issue of any additional Shares, including additional Shares of such class or series or of any other class of Shares or any other class or series of Preference Shares, and



- (i) any other powers, preferences and relative, participating, optional and other special rights, and any qualifications, limitations and restrictions thereof as the Directors may determine.
- 5.5 **Consideration for Share Issue.** A Share may be issued for consideration in any form, including money, a promissory note or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services.
- 5.6 **Register of Members.**
- (a) The Register of Members kept by the Company shall contain:
 - (i) the names and addresses of each Member;
 - (ii) a statement of the Shares held by each Member;
 - (iii) the distinguishing numbers of the Shares of each Member (if any);
 - (iv) the amount paid on the Shares of each Member;
 - (v) the date on which the name of each person was entered on the register as a Member; and
 - (vi) the date on which any person ceased to be a Member.
 - (b) The Company may cause to be kept in any country or territory one or more branch registers of any category of members.
 - (c) For as long as any Shares are listed on an “approved stock exchange” as defined by the Companies Law, title to such listed Shares may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the relevant approved stock exchange that are or shall be applicable to such listed Shares. Any register of members maintained in respect of listed Shares may be kept by recording the particulars required by section 40 of the Companies Law in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the relevant approved stock exchange.
- 5.7 **Commission.** The Company is authorised to pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any Shares.
- 5.8 **Payment for Shares.** The Directors shall not issue Shares unless payment in full of the subscription price has been received by the Company by such time as the Directors may determine from time to time.



6 VARIATION OF RIGHTS

- 6.1 **Class Variation.** If, at any time, the share capital of the Company is divided into different classes or series of Shares, the rights attached to any class or series (unless otherwise provided by the terms of issue of the Shares of that class) may be varied with the consent in writing of the holders of two-thirds of the issued Shares of that class or series or with the approval of the holders of not less than two-thirds of the issued shares of that class, who, being entitled to do so, vote in person or by proxy at a separate general meeting of the holders of the Shares of the class or series. To every such separate general meeting the provisions of these Articles relating to general meetings shall, *mutatis mutandis*, apply, but so that the necessary quorum shall be the persons holding or representing by proxy a majority of the issued Shares of the class or series and that any holder of Shares of the class or series present in person or by proxy may demand a poll.
- 6.2 **No Variation on Further Issue.** The rights conferred upon the holders of the Shares of any class or series shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith or by the creation or issuance of Preference Shares of any class or series.

7 REDEMPTION, PURCHASE AND SURRENDER OF SHARES AND TREASURY SHARES

- 7.1 **Redemption, Purchase and Surrender.** Subject to the provisions of the Companies Law and to the rights attaching to any class of Share, the Company may:
- (a) issue Shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Directors may, before the issue of such Shares, determine;
 - (b) purchase its own Shares (including any redeemable Shares) on such terms and in such manner as the Directors determine;
 - (c) make a payment in respect of the redemption or purchase of its own Shares in any manner permitted by the Companies Law including out of capital; and
 - (d) permit the surrender of fully paid Shares for no consideration.
- 7.2 **Effect of Redemption, Purchase and Surrender.** Shares that the Company redeems, purchases, accepts by way of surrender or otherwise acquires pursuant to Article 7.1 may:
- (a) be cancelled; or
 - (b) be held as Treasury Shares on such terms and in such manner as the Directors determine prior to such acquisition.
- 7.3 **Treasury Shares.** All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share, other than as set out in this Article. The Company may:
- (a) cancel the Treasury Shares on such terms and in such a manner as the Directors may determine; and



- (b) transfer the Treasury Shares in accordance with Article 12.
- 7.4 **No Participation.** Any Share in respect of which notice of redemption has been given shall not be entitled to participate in the profits of the Company in respect of the period after the date specified as the date of redemption in the notice of redemption.
- 7.5 **No other Redemption.** The redemption, purchase or surrender of any Share shall not be deemed to give rise to the redemption, purchase or surrender of any other Share.
- 7.6 **Redemption in Kind.** The Directors may, when making payments in respect of redemption or purchase of Shares, if authorised by the terms of issue of the Shares being redeemed or purchased or with the agreement of the holder of such Shares, make such payments either in cash or in kind.

8 LIEN

- 8.1 **All Monies Payable.** The Company shall have a first and paramount lien on every Share, whether or not it is a fully paid Share, for all moneys, whether presently payable or not, called or payable at a fixed time in respect of that Share and for all debts, liabilities or other obligations owed, whether presently or not, by the Member or by one or more joint Members or by any of their estates to the Company (together, the Lien Amounts) but the Directors may, at any time, declare any Share to be wholly or in part exempt from this Article. The Company's lien, if any, on a Share shall extend to all Distributions payable thereon. Any registration of the transfer of a Share shall operate to extinguish the Company's lien on that Share.
- 8.2 **Sale.** The Company may sell, in such manner as the Directors think fit, any Shares in which the Company has a lien, but no sale shall be made unless some amount in respect of which the lien exists is presently payable and the period of fourteen days has elapsed after the Company has given a notice in writing, stating and demanding payment of such part of the presently payable amount, to the relevant Member.
- 8.3 **Registration of Purchase.** The Directors may authorise any person to transfer the Shares sold in accordance with this Article to the purchaser of such Shares. The purchaser shall be registered as the holder of the Shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the sale of the Shares in accordance with this Article.
- 8.4 **Application of Proceeds.** The proceeds of the sale, net of any costs incurred by the Company in relation to the sale, shall be applied by the Company in payment of such part of the amount in respect of which the lien exists as is presently payable. The Company shall retain and have a lien over such part of the remainder of the proceeds as is equal to the Lien Amounts which exist but are not presently payable by the Member and may apply such proceeds against the Lien Amounts as and when they become payable and the residue shall be paid to the person entitled to the Shares at the date of the sale.

9 CALLS ON SHARES

- 9.1 **Calls.** The Directors may, from time to time, make calls upon the Members in respect of some or all of any moneys unpaid on their Shares, whether in respect of their par value or the premium payable on those Shares; each Member shall (subject to receiving at least 14 days' notice



specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on his Shares. A call may be required to be paid in instalments. The Directors may revoke or postpone a call at any time.

- 9.2 **Joint Holders.** The joint holders of a Share shall be jointly and severally liable to pay calls in respect thereof and the holder or joint holders of a Share at the time of a call shall remain liable to pay the call on that Share, notwithstanding any subsequent transfer of the Share being registered by the Company.
- 9.3 **Interest on Calls.** If a sum called in respect of a Share is not paid before or on the day appointed for payment of that call, the Member from whom such amount is due shall pay interest upon the sum at such rate as the Directors may determine from the day appointed for payment of the call to the time of the actual payment. The Directors shall have the discretion to waive payment of any such interest in full or in part.
- 9.4 **Fixed Payment Dates.** The provisions contained in these Articles in respect of calls shall apply to payments, whether on account of the amount of the Share, or by way of premium, to be made on the allotment of a Share or any date fixed on the issue of the Share as if the same had become payable by virtue of a call duly made and notified.

10 FORFEITURE

- 10.1 **Failure to pay Call.** If a Member fails to pay any call or instalment of a call in respect of Shares on the day appointed for payment, the Directors may serve a notice on such Member naming a further date not earlier than the expiration of 14 days from the date of service on or before which the payment required by the notice is to be made, and containing a statement that in the event of non-payment, the Shares, or any of them, will be liable to be forfeited.
- 10.2 **Forfeiture.** If the requirements of the notice referenced in this Article are not complied with, the Company may forfeit the Shares together with any Distributions declared payable in respect of the forfeited Shares and not paid at any time before tender of payment.
- 10.3 **No Refund.** The Company is under no obligation to refund any moneys to the Member whose Shares have been forfeited.
- 10.4 **Sale of Forfeited Share.** A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit. The proceeds of any sale or disposition of the forfeited Share may be received and used by the Company as the Directors determine.
- 10.5 **Outstanding Liability.** A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the Shares together with interest.
- 10.6 **Certificate of Forfeiture.** A certificate in writing under the hand of a Director or Officer stating that a Share has been duly forfeited on the date stated in the certificate shall be conclusive evidence of the facts stated in the certificate as against all persons claiming to be entitled to the Share. The Directors may authorize any person to transfer the Shares sold in accordance with this



Article to the purchaser of such Shares. The purchaser shall be registered as the holder of the Shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the sale of the Shares in accordance with this Article.

- 10.7 **Fixed Payment Dates.** The provisions of this Article applying to forfeiture for failure to pay any call or instalment of a call shall apply to the failure to make payments, whether on account of the amount of the Share, or by way of premium, to be made on the allotment of a Share or any date fixed on the issue of the Share as if the same had become payable by virtue of a call duly made and notified.

11 TRANSMISSION OF SHARES

- 11.1 **Legal Personal Representative.** The legal personal representative of a deceased sole holder of a Share shall be the only person recognised by the Company as having any title to the Share. In the case of a Share registered in the names of two or more holders, the survivors, survivor or the legal personal representatives of the deceased survivor, shall be the only person(s) recognised by the Company as having any title to the Share.
- 11.2 **Transmission.** Any person becoming entitled to a Share in consequence of the death or bankruptcy of or any analogous event affecting a Member (each such event a Transmission Event and each such person a Representative) shall, upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the Share or, instead of being registered himself, to make such transfer of the Share as the Member could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by such Member before the occurrence of a Transmission Event.
- 11.3 **Pre-Registration Status.** Representatives shall be entitled to the same notices, dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.
- 11.4 **Requirement for Registration.** The Directors may at any time give notice requiring a Representative to elect either to be registered himself or to have some person nominated by him become the holder of the Share (but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the relevant Member before the Transmission Event). If the notice is not complied with within ninety (90) days the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share until the requirements of the notice have been complied with.

12 TRANSFER OF SHARES

- 12.1 **When Directors' Consent required.** A transfer of a Common Share must not be recorded or registered unless a duly signed instrument of transfer in respect of the Common Share has been received by the Company and the certificate representing the Common Share to be transferred (if any) has been surrendered and cancelled. Preference Shares and Treasury Shares are



transferable, subject to the consent of the Directors who may, in their absolute discretion, refuse to consent to any transfer and decline to register the transfer without giving any reason.

- 12.2 **Instrument of Transfer.** The instrument of transfer shall be in writing in such form as may be acceptable to the Directors and shall be executed by or on behalf of the transferor and, if required by the Directors, signed by the transferee.
- 12.3 **Certificates.** Subject to Article 4.2, where the Company has issued a certificate in respect of a Share proposed to be transferred, the transferor shall lodge, with the instrument of transfer, the original certificate relating to the Share being transferred.
- 12.4 **Effective Date.** The transfer of a Share is effective when the name of the transferee is entered on the Register of Members. Until such time, the transferor shall be deemed to remain a Member.
- 12.5 **Lost Certificate.** If the Directors are satisfied that an instrument of transfer relating to Shares has been signed but that the instrument has been lost or destroyed, they may, on receipt of such indemnities as they may require:
- (a) accept such evidence of the transfer of Shares as they consider appropriate; and
 - (b) proceed to register the transferee's name in the Register of Members.
- 12.6 **Notification of Refusal.** Where the Directors refuse to register a transfer of a Share, they shall, within two months after the date on which the transfer was lodged with the Company, notify the transferee of the refusal.
- 12.7 **Transfer of Treasury Shares.** The transfer of Treasury Shares may be for valuable consideration or otherwise, and at a discount to the par value of the Shares.

13 REGISTERED HOLDER DEEMED ABSOLUTE OWNER

- 13.1 The registered holder of a Share shall be treated as the absolute owner of such Share. No person shall be recognised by the Company as holding any Share upon trust and the Company shall not register nor be bound by or required to recognise any equitable or other interest of whatever nature in a Share other than an absolute right to the Share, irrespective of whether the Company has notice of such interest.

14 ALTERATION OF SHARE CAPITAL

- 14.1 **Increase or Amendment.** The Company may by Ordinary Resolution:
- (a) increase the share capital by such sum, to be divided into Shares of such amount, and with such rights, privileges, priorities and restrictions attached to them as the resolution shall prescribe;
 - (b) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
 - (c) convert all or any of its paid-up shares into stock and reconvert that stock into paid-up Shares of any denomination;



- (d) subject to section 13 of the Companies Law, sub-divide its existing Shares, or any of them, into Shares of smaller amounts than is fixed by the Memorandum; and
 - (e) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 14.2 **Reduction.** Subject to the provisions of the Companies Law and these Articles, the Company may, by Special Resolution, reduce its share capital and any capital redemption reserve in any manner.

15 CLOSING REGISTER OF MEMBERS OR FIXING RECORD DATE

- 15.1 **Closing Register.** For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any dividend, or in order to make a determination of Members for any other purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period but not to exceed in any case forty (40) days. If the Register of Members shall be so closed for the purpose of determining Members entitled to notice of or to vote at a meeting of Members such Register of Members shall be so closed for at least ten (10) days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the Register of Members.
- 15.2 **Fixing Record Date.** In lieu of, or apart from, closing the Register of Members, the Directors may fix in advance a date as the record date: (a) for any such determination of Members entitled to notice of or to vote at a meeting of Members, which record date shall not be more than sixty (60) days nor less than ten (10) days before the date of such meeting; and (b) for the purpose of determining the Members entitled to receive payment of any dividend, or in order to make a determination of Members for any other purpose, which record date shall not be more than sixty (60) days prior to the date of payment of such dividend or the taking of any action to which such determination of Members is relevant.
- 15.3 **No Record Date.** If the Register of Members is not so closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members or Members entitled to receive payment of a dividend, the date immediately preceding the date on which notice of the meeting is deemed given under these Articles or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Article, such determination shall apply to any adjournment thereof; provided, however, that the Directors may fix a new record date of the adjourned meeting, if they think fit.

16 MEETINGS AND CONSENTS OF MEMBERS

- 16.1 **Meetings.** All meetings of Members shall be referred to as extraordinary general meetings unless the general meeting is an annual general meeting. The Company may hold an annual general meeting in each year and shall specify the meeting as such in the notices calling it. The Company shall not be obliged to hold an annual general meeting in each year, provided that, so long as the Company's Shares are listed for trading on the New York Stock Exchange, the Company shall hold annual general meetings, from time to time, as may be required under the applicable rules and regulations of the New York Stock Exchange. The annual general meeting, if any, shall be held at such time and place as the Directors shall appoint, provided that, so long as the Company's Shares are listed for trading on the New York Stock Exchange, the period between the date of one annual



general meeting of the Company and that of the next shall not be longer than such period as the applicable rules and regulations of the New York Stock Exchange permit. If the Company's Shares are not listed for trading on the New York Stock Exchange, the Company shall hold annual general meetings as required pursuant to the rules and regulations of such other stock exchange, if any, on which the Company's Shares are listed for trading at such time. At annual general meetings, the report of the Directors (if any) shall be presented.

- 16.2 **Directors Convene.** The Directors may convene meetings of the Members, subject to Article 16.1 hereof, at such times and in such manner and places within or outside the Cayman Islands as the Directors may consider necessary or desirable.
- 16.3 **Members Requisition.** Upon the written request of Members entitled to exercise 20% or more of the voting rights in respect of the matter for which the meeting is requisitioned, any one or more of the Directors shall forthwith proceed to convene a meeting of Members to be held within four months of receiving the requisition. The written request of Members to requisition a meeting must state the objects of the meeting and must be signed by the Members requisitioning the meeting. The written request must be lodged at the Registered Office and may be delivered in counterpart.
- 16.4 **Failure to Convene.** If the Directors do not proceed to convene a meeting of Members within twenty one (21) days of the written request to requisition a meeting being lodged, the requisitionists, or any of them together holding at least half of the voting rights of all of them, may convene the meeting of Members in the same manner as nearly as possible as that in which a meeting of Members may be convened by a Director. Where the requisitionists fail to convene the meeting of Members within three months of their right to convene the meeting arising, the right to convene the meeting of Members shall lapse.
- 16.5 **Notice of Meeting.** At least ten (10) days' notice shall be given for any meeting of Members. Every notice shall be exclusive of the day on which it is given or deemed to be given and of the day for which it is given and shall specify the place, the day and the hour of the meeting and the general nature of the business and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company.
- 16.6 **Failure to Give General Notice.** A meeting of Members held in contravention of the requirement to give notice is valid if Members (or their proxies) holding at least 90% of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Member at the meeting shall constitute waiver in relation to all the Shares which that Member holds.
- 16.7 **Failure to give Individual Notice.** The inadvertent failure of a Director who convenes a meeting to give notice of a meeting to a Member or another Director, or the fact that a Member or another Director has not received notice, does not invalidate the meeting.
- 16.8 **Voting.** No person shall be entitled to vote at any meeting of Members unless he is registered as a Member on the record date for such meeting and all calls or other moneys payable by him in respect of Shares have been paid at or before the record date. Subject to the rights and restrictions attached to any Shares and the provisions of this Article, each Member of record who is present in person, by its duly authorised representative or by proxy, shall have one vote and on a poll each Member of record shall have one vote for every Share of which he is the holder.



17 PROXIES

- 17.1 **Proxies.** Subject to compliance with these Articles, a Member may be represented at a meeting of Members by a proxy who may speak and vote on behalf of the Member. A proxyholder need not be a Member. The rules and procedures relating to the form of a proxy, the depositing or filing of proxies and voting pursuant to a proxy and any other matter incidental thereto, shall be approved by the Directors, subject to such rules and procedures as required by applicable law or the relevant rules and regulations applicable to the listing of the Shares on any stock exchange and as provided in these Articles under this Article 17.
- 17.2 **Form of Proxy.** An instrument appointing a proxy may be in any usual or common form (or such other form as the Directors may approve). The instrument appointing a proxy shall be in writing and shall be executed under the hand of the appointor or of his attorney duly authorized in writing, or, if the appointor is a corporation under the hand of an officer or attorney duly authorized in that behalf provided however, that a Member may also authorize the casting of a vote by proxy pursuant to telephonic or electronically transmitted instructions (including, without limitation, instructions transmitted over the internet) obtained pursuant to procedures approved by the Directors which are reasonably designed to verify that such instructions have been authorized by such Member. The instrument appointing a proxy may be expressed to be for a particular meeting or any adjournment thereof or generally until revoked.
- 17.3 **Joint Ownership and Proxies.** Where Shares are jointly owned:
- (a) if two or more persons hold Shares jointly, each of them may be present in person or by proxy at a meeting of Members and may speak as a Member;
 - (b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and
 - (c) if two or more of the joint owners are present in person or by proxy they must vote as one and the person whose name stands first on the register of members in respect of the Share is alone entitled to vote in respect of that Share.

18 PROCEEDINGS OF SHAREHOLDER MEETINGS

- 18.1 **Chairman of Member Meeting.** At every meeting of Members, the chairman of the board of Directors shall preside as chairman of the meeting. If there is no chairman of the board of Directors or if he is not present at the meeting within fifteen (15) minutes after the time appointed for the meeting or if he is unwilling to act, the Directors present shall elect the chairman of the meeting.
- 18.2 **Adjournment.** The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting except that when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.
- 18.3 **Conference Call.** A Member, or his duly authorised representative or proxy, shall be deemed to be present at a meeting of Members if he participates by telephone or other electronic means as



approved by the Directors or the Chairman of the meeting, by means of which all the persons participating in the meeting are able to communicate with each other simultaneously and instantaneously.

- 18.4 **Objections.** No objection shall be raised to the qualification of any voter except at the meeting of members or adjourned meeting of Members at which the vote objected to is given or tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and binding on all parties.
- 18.5 **Casting of Votes.** A Member holding more than one Share need not cast the votes in respect of the Shares held by him in the same way on any resolution for which a poll is taken. A person appointed as the authorised representative or proxy of a Member may cast the votes in respect of the Shares for which he is appointed in a like manner.
- 18.6 **Quorum.** A meeting of Members is duly constituted if, at the commencement of the meeting, there are present in person, through their authorised representative or by proxy, two or more Members, representing at least 20% of the class or series of Shares, entitled to vote on the resolutions of Members to be considered at the meeting, except where there is only one Member entitled to vote on resolutions of Members to be considered at the meeting, in which case the quorum shall be one Member. Where a quorum comprises a single Member or proxy, such person may pass a resolution of Members and a certificate signed by such person accompanied, where such person be a proxy, by a copy of the proxy instrument shall constitute a valid resolution of Members.
- 18.7 **No Quorum.** If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum.
- 18.8 **Polls.** At any meeting of the Members the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Member present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting. The minutes of the meeting shall be conclusive evidence of the fact that a resolution was carried or not without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 18.9 **Participation.** Directors, officers, lawyers or auditors of the Company may attend and speak at any meeting of Members and at any separate meeting of the holders of any class or series of Shares.
- 18.10 **Unanimous Written Resolutions.** Any Ordinary or Special Resolution of Members and any other action that may be taken by the Members at a meeting may also be taken by a resolution consented to in writing, without the need for any notice, by all Members who would have been



entitled to attend and vote at a meeting called for the purpose of passing such a resolution or taking any other action. The consent may be in the form of counterparts, each counterpart being signed by one or more Members. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the latest date borne by the counterparts.

19 APPOINTMENT AND REMOVAL OF DIRECTORS

19.1 Number of Directors. The Company shall have a board of Directors consisting of the greater of:

- (a) three (3); and
- (b) the number most recently established by the Directors and under Article 19.8.

For so long as the Shares of the Company are listed for trading on the New York Stock Exchange, the Directors shall include such number of independent directors, as defined under the relevant rules or regulations of the New York Stock Exchange, as required under applicable rules or regulations, if any, of the New York Stock Exchange, unless the Directors resolve to follow any available exceptions or exemptions. If the Company's Shares are not listed for trading on the New York Stock Exchange, the Company shall comply with any applicable rules or regulations respecting board composition of such other stock exchange, if any, on which the Company's Shares are listed for trading at such time.

19.2 Appointment of Directors. The first Directors shall be appointed by the subscribers to the Memorandum by a written instrument signed by all the subscribers or by an Ordinary Resolution passed by the subscribers. Thereafter, subject to the limits set forth in Article 19.1:

- (a) the Company may by Ordinary Resolution at a meeting of Members called for such purpose, including at an annual general meeting pursuant to Article 19.3, appoint any person (subject to Article 20.1) to be a Director to fill a casual vacancy, including a vacancy resulting from the removal of a Director pursuant to Article 19.6 or the deemed vacation of a Director prior to the election of Directors at an annual general meeting under Article 19.3; or
- (b) the Directors may, at any time and from time to time, appoint any person to be a Director either to fill any casual vacancy or as an addition to the existing board of Directors.

19.3 Term. Subject to Article 19.4, each Director shall hold office until the expiration of his term and until his successor shall have been elected or qualified. At every annual general meeting the Members entitled to vote for the election of Directors must by Ordinary Resolution elect that number of Directors for the time being set under these Articles, which election shall be subject to any advance notice policy of the Company approved by the Directors from time to time. All the Directors cease to hold office immediately before such election, but are eligible for re-election.

19.4 Vacation. The office of a Director shall be vacated if:

- (a) the term of office of the Director expires, subject to the deemed continuance of office under Article 19.7 or such time as his or her successor shall have been elected or approved; or



- (b) he gives notice in writing to the Company that he resigns the office of Director; or
- (c) he dies, becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (d) he is found to be or becomes of unsound mind; or
- (e) he is removed from office pursuant to Article 19.6; or
- (f) he is prohibited to act as a Director by the Companies Laws or any applicable rules or regulations of any stock exchange on which the Shares are listed.

19.5 **Consent.** No election, appointment or designation of an individual as a Director is valid unless:

- (a) that individual consents to be a Director; or
- (b) that individual is elected at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a Director.

19.6 **Removal of Directors.** The Company may by Special Resolution at a meeting of Members called for such purpose remove any Director before the expiration of his term.

19.7 **Failure to elect any.** If the Members fail at the annual general meeting to elect or appoint *any* Directors, then each Director in office at such time continues to hold office until the earlier of:

- (a) the date on which his or her successor is elected or appointed; and
- (b) the date on which he or she otherwise ceases to hold office under these Articles.

19.8 **Failure to elect some.** If, at any meeting of Members at which there should be an election of Directors, not all the places of the retiring Directors are filled by that election such that there is not the number of Directors set pursuant to these Articles, the number of Directors is deemed to be set at the number of Directors actually elected or continued in office.

20 NOMINATION OF DIRECTORS

20.1 **Nomination.** Nominations of persons for election to the board of Directors may be made at any annual general meeting or at any other meeting of Members if one of the purposes for which the meeting is called is to elect a Director:

- (a) by or at the direction of the Directors, including pursuant to a notice of meeting; or
- (b) by or at the direction or request of a holder of Common Shares to, and as set forth in, a valid requisition of a meeting of Members in accordance with Article 16.3; or
- (c) by any Member (a **Nominating Shareholder**) who: (i) at the close of business on the date of the giving by such Nominating Shareholder of the notice provided for below and at the close of business on the record date for notice of such meeting is entered in the register of Members as a holder of one or more Common Shares carrying the right to vote at such meeting; and (ii) complies with the notice procedures set forth below in these Articles, including Article 20.2 and 20.3 hereof. If such Nominating Shareholder is



not an individual, the notice, as set forth below, must be signed by an authorized representative, being a duly authorized director, officer, manager, trustee, partner or other similar person, as applicable, of such entity who provides such evidence of such authorization that is satisfactory to the Company, acting reasonably.

20.2 Timing. A Nominating Shareholder must provide notice to the president of the Company:

- (a) in the case of an annual general meeting of Members, not less than thirty (30) nor more than sixty-five (65) days prior to the date of such annual general meeting of Members; provided, however, that in the event that the annual general meeting of Members is to be held on a date that is less than fifty (50) days after the notice date on which the first public announcement of the date of such annual general meeting was made, notice by the Member may be given not later than the close of business on the tenth (10th) day following the notice date; and
- (b) in the case of any other meeting (which is not also an annual general meeting) of Members called for the purpose of electing Directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of such other meeting of Members was made.

The time periods for the giving of a Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual general meeting or other meeting of Members, and in no event shall any adjournment or postponement of a meeting of Members or the announcement thereof commence a new time period for the giving of such notice. For the purposes of this Article 20, a "public announcement" means disclosure in a press release reported by a national news source in the United States or Canada or a document publicly filed by the Company or its agents with applicable securities regulators.

20.3 Form. To be in proper written form, a Nominating Shareholder's notice to the president of the Company must set forth:

- (a) as to each person who the Nominating Shareholder proposes to nominate for election as a Director: (i) the name, age, business address and residential address of the person; (ii) the principal occupation or employment of the person and the principal occupation or employment within the five years preceding the notice; (iii) the citizenship of such person; (iv) the class or series and number of Shares in the capital of the Company which are controlled, directly or indirectly, or which are owned, beneficially or of record, by the person as of the record date for the meeting of Members (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (v) a statement as to whether such person would be "independent" of the Company if elected as a Director at such meeting and the reasons and basis for such determination; and (vi) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to applicable law; and
- (b) as to the Nominating Shareholder giving the notice, (i) full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any Shares of the



Company and (ii) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to applicable law.

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to comply with applicable law and determine the eligibility of such proposed nominee to serve as a Director of the Company or that could be material to a reasonable Member's understanding of the experience, independence, or qualifications (or lack thereof) of such proposed nominee.

- 20.4 **Acceptance of Nomination.** The chair of any meeting of Members shall, among other things, have the authority to determine whether a nomination was made in accordance with the procedures set forth in this Article 20 and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

21 REGISTER OF DIRECTORS AND OFFICERS

- 21.1 **Details.** The Register of Directors and Officers shall contain:

- (a) the names and addresses of the persons who are Directors and Officers;
- (b) the date on which each person whose name is entered in the register was appointed as a Director or Officer; and
- (c) the date on which each person named as a Director or Officer ceased to be a Director or Officer.

22 POWERS OF DIRECTORS

- 22.1 **Management by Directors.** Subject to the provisions of the Companies Law, the Memorandum, these Articles and any directions given by Ordinary Resolution, the business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors. The Directors shall have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company as are not by the Companies Law, the Memorandum, these Articles or the terms of any Special Resolution required to be exercised by the Members. No alteration of the Memorandum or these Articles or any direction given by Ordinary or Special Resolution shall invalidate any prior act of the Directors that was valid at the time undertaken. A duly convened meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 22.2 **Good Faith.** Each Director shall exercise his powers for a proper purpose. Each Director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the Director believes to be the best interests of the Company.
- 22.3 **Acting in Vacancy.** The continuing Directors may act notwithstanding any vacancy in their body, but if and for so long as their number is below any minimum number of Directors fixed by or pursuant to these Articles, the continuing Directors may act for the purpose of passing a resolution: (i) to adjust the number of Directors under Article 19.1 to eliminate the vacancy; (ii) to appoint further Directors to the board of Directors; or (iii) to convene a meeting of Members to appoint further Directors, but for no other purpose.



- 22.4 **Indebtedness and Security.** The Directors may exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to issue debentures, debenture stock, mortgages, bonds and other such securities and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

23 PROCEEDINGS OF DIRECTORS

- 23.1 **Quorum.** The quorum for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be a majority of the Directors if there are two or more Directors, and shall be one if there is only one Director. A person who holds office as an alternate Director shall be counted in the quorum. A Director who also acts as an alternate Director shall count twice towards the quorum.
- 23.2 **Voting.** Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote. A Director who is also an alternate Director shall be entitled to a separate vote on behalf of his appointor in addition to his own vote.
- 23.3 **Conference Call.** A person may participate and vote in a meeting of the Directors or committee of Directors by telephone or other electronic means by means of which all the persons participating in the meeting are able to communicate with each other simultaneously and instantaneously. Unless otherwise determined by the Directors the meeting shall be deemed to be held at the place where the chairman is at the start of the meeting.
- 23.4 **Unanimous Written Resolution.** A resolution in writing (in one or more counterparts) signed by all the Directors or all the members of a committee of Directors (an alternate Director being entitled to sign any such resolution on behalf of his appointor) shall be as valid and effectual as if it had been passed at a meeting of the Directors, or committee of Directors as the case may be, duly convened and held.
- 23.5 **Notice of Meetings.** A Director may, or other Officer on the requisition of a Director shall, call a meeting of the Directors by at least two days' notice in writing to every Director which notice shall set forth the general nature of the business to be considered unless notice is waived by all the Directors either at, before or after the meeting is held.
- 23.6 **Chairman of the Board.** The Directors may elect a chairman of their board and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- 23.7 **Defects.** Absent fraud, all acts done by any meeting of the Directors or a committee of Directors shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or alternate Director, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and qualified to be a Director or alternate Director as the case may be.



24 PRESUMPTION OF ASSENT

- 24.1 A Director who is present at a meeting of the board of Directors at which action on any Company matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent from such action with the person acting as the chairman or secretary of the meeting before the adjournment thereof. Such right to dissent shall not apply to a Director who voted in favour of such action.

25 DIRECTORS' INTERESTS

- 25.1 **Other Office.** A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine. A Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director or alternate Director.
- 25.2 **No Exclusivity.** A Director or alternate Director may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director or alternate Director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company.
- 25.3 **Disclosure of Interests.** No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any other contract or transaction entered into by or on behalf of the Company in which any Director or alternate Director shall be in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or transaction by reason of such Director holding office or of the fiduciary relation thereby established. A Director (or his alternate Director in his absence) shall be at liberty to vote in respect of any contract or transaction in which he is interested provided that the nature of the interest of any Director or alternate Director in any such contract or transaction shall be disclosed by him at or prior to its consideration and any vote thereon.
- 25.4 **General Notice of Interests.** A general notice that a Director or alternate Director is a shareholder, director, officer or employee of any specified firm or company and is to be regarded as interested in any transaction with such firm or company shall be sufficient disclosure for the purposes of voting on a resolution in respect of a contract or transaction in which he has an interest, and after such general notice it shall not be necessary to give special notice relating to any particular transaction.

26 MINUTES

- 26.1 The Directors shall cause minutes to be made in books kept for the purpose of all appointments of officers made by the Directors, all proceedings at meetings of the Company or the holders of any class of Shares and of the Directors, and of committees of Directors including the names of the Directors or alternate Directors present at each meeting.



27 DELEGATION OF DIRECTORS' POWERS

- 27.1 **Delegation.** The Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him provided that an alternate Director may not act as managing director and the appointment of a managing director shall automatically terminate if he ceases to be a Director. Any such delegation may be made subject to any conditions the Directors may impose and may be revoked or altered. Subject to any such conditions, the proceedings of a committee of Directors shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.
- 27.2 **Committees.** The Directors may establish any committees, local boards or agencies or appoint any person to be a manager or agent for managing the affairs of the Company and may appoint any person to be a member of such committees or local boards. Any such appointment may be made subject to any conditions the Directors may impose, and may be revoked or altered. Subject to any such conditions, the proceedings of any such committee, local board or agency shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.
- 27.3 **Third Party Delegation.** The Directors may by power of attorney or otherwise appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or authorised signatory of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorneys or authorised signatories as the Directors may think fit and may also authorise any such attorney or authorised signatory to delegate all or any of the powers, authorities and discretions vested in him.
- 27.4 **Officers.** The Directors may appoint such Officers as they consider necessary on such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the Directors may think fit. Unless otherwise specified in the terms of his appointment an officer may be removed by the Directors.

28 ALTERNATE DIRECTORS

- 28.1 **Alternate Appointment.** Any Director (other than an alternate Director) may by writing in notice to the Company appoint any other Director, or any other person willing to act, to be an alternate Director.
- 28.2 **Conduct of Alternates.** An alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at every such meeting at which the Director appointing him is not personally present, and, save as expressly provided herein, to perform all the functions and exercise all of the powers of his appointor as a Director in his absence.
- 28.3 **Automatic termination.** An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director.



- 28.4 **No Agency.** An alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and shall not be deemed to be the agent of the Director appointing him.

29 NO MINIMUM SHAREHOLDING

- 29.1 The Company in general meeting may fix a minimum shareholding required to be held by a Director, but unless and until such a shareholding qualification is fixed a Director is not required to hold Shares.

30 REMUNERATION OF DIRECTORS

- 30.1 **Office Remuneration.** The remuneration to be paid to the Directors, if any, shall be such remuneration as the Directors shall determine. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors, or general meetings of the Company, or separate meetings of the holders of any class of Shares or debentures of the Company, or otherwise in connection with the business of the Company, or to receive a fixed allowance in respect thereof as may be determined by the Directors, or a combination of such methods.
- 30.2 **Additional Remuneration.** The Directors may by resolution approve additional remuneration to any Director for any services other than his ordinary routine work as a Director. Any fees paid to a Director who is also counsel or solicitor to the Company, or otherwise serves it in a professional capacity shall be in addition to his remuneration as a Director.
- 30.3 **Pensions.** The Directors, on behalf of the Company, may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

31 INDEMNIFICATION

- 31.1 **Indemnity and Exclusion of Liability.** Every Director, alternate Director or Officer shall be indemnified out of the assets of the Company against any liability incurred by him as a result of any act or failure to act in carrying out his functions other than such liability (if any) that he may incur by his own actual fraud or wilful default. No such Director, alternate Director or Officer shall be liable to the Company for any loss or damage in carrying out his functions unless that liability arises through the actual fraud or wilful default of such Director or officer. References in this Article to actual fraud or wilful default mean a finding to such effect by a competent court in relation to the conduct of the relevant party.
- 31.2 **Advancement of Expenses.** Expenses, including legal fees, incurred by a Director, alternate Director or Officer, or former Director, alternate Director or Officer in defending any legal, administrative or investigative proceedings may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by such party to repay the amount if it shall ultimately be determined that such Director, alternate Director or Officer is not entitled to be indemnified by the Company and upon such terms and conditions, if any, as the Company deems appropriate.



- 31.3 **Insurance.** The Company may purchase and maintain insurance in relation to any person who is or was a Director, alternate Director, Officer or liquidator of the Company, or who at the request of the Company is or was serving as a Director, alternate director, Officer or liquidator of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity.

32 RECORDS

- 32.1 **Registered Office Records.** The Company shall keep the following documents at the Registered Office:

- (a) the Certificate of Incorporation and any Certificate on Change of Name;
- (b) a copy of the Memorandum and Articles;
- (c) the Register of Directors and Officers; and
- (d) to the extent the Company has created a security interest over any of its assets the Register of Mortgages and Charges required to be maintained by the Company under Section 54 of the Companies Law.

- 32.2 **Other Corporate Records.** The Company shall keep the following records at the Registered Office or at such other place or places, within or outside the Cayman Islands, as the Directors may determine:

- (a) minutes of meetings, Ordinary Resolutions and Special Resolutions of Members and classes of Members;
- (b) the Register of Members; and
- (c) minutes of meetings and Resolutions of Directors and committees of Directors.

- 32.3 **Electronic Form.** All of the registers and records kept by the Company under these Articles shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Law.

33 SEAL

- 33.1 **Use of Seal.** The Company may, if the Directors so determine, have a Seal. The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors. Every instrument to which the Seal has been affixed shall be signed by at least one person who shall be either a Director or an Officer or other person appointed by the Directors for the purpose.
- 33.2 **Duplicate Seal.** The Company may have for use in any place or places outside the Cayman Islands a duplicate Seal or Seals each of which shall be a facsimile of the common Seal of the Company and, if the Directors so determine, with the addition on its face of the name of every place where it is to be used.



- 33.3 **Authentication and Filing.** A Director or Officer, representative or attorney of the Company may without further authority of the Directors affix the Seal over his signature alone to any document required to be authenticated by him under seal or to be filed with the Registrar of Companies in the Cayman Islands or elsewhere wheresoever.

34 DISTRIBUTIONS

- 34.1 **Payment of Distributions.** Subject to the Companies Law and this Article, the Directors may declare and pay out of the funds of the Company lawfully available for such purpose a Distribution at a time and of an amount they think fit. No Distribution shall be paid except out of the realised and unrealised profits of the Company, and/or out of the share premium account, and/or as otherwise permitted by the Companies Law.
- 34.2 **Ranking.** Except as otherwise provided by the rights attached to Shares, all Distributions shall be declared and paid according to the par value of the Shares that a Member holds. The Company may pay Distributions in proportion to the amount paid upon each Share where a larger amount is paid up on some Shares than on others. If any Share is issued on terms providing that it shall rank for Distributions as from a particular date, that Share shall rank for Distributions accordingly.
- 34.3 **Deductions.** The Directors may deduct from any Distribution payable to any Member all sums of money, if any, then payable by him to the Company on account of calls or otherwise.
- 34.4 **Distribution in Kind.** The Directors may declare that any Distribution be paid wholly or partly by the distribution of specific assets and in particular of shares, debentures, or securities of any other company or in any one or more of such ways and the Directors may settle the same as they think expedient and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees as may seem expedient to the Directors.
- 34.5 **Payment.** Any Distribution payable in cash in respect of Shares may be paid by electronic funds transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the holder who is first named on the Register of Members or to such person and to such address as such 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. Any one of two or more joint holders may give effectual receipts for any Distributions payable in respect of the Shares held by them as joint holders.
- 34.6 **No Interest.** No Distribution shall bear interest as against the Company and no distribution shall be paid on Treasury Shares.
- 34.7 **Unclaimed Payments.** Any Distribution which cannot be paid to a Member and/or which remains unclaimed after six months from the date of declaration of such Distribution may, in the discretion of the Directors, be paid into a separate account in the Company's name, provided that the Company shall not be constituted as a trustee in respect of that account and the Distribution shall remain as a debt due to the Member. Any Distribution which remains unclaimed after a period of six years from the date of declaration of such Distribution shall be forfeited and shall revert to the Company.



- 34.8 **Preference Shares dividend priority.** So long as any of the Preference Shares are outstanding, the Company shall not at anytime without, but may at anytime with, the approval of the holders of the Preference Shares given as set out in Article 6.1, declare, pay or set apart for payment any dividends on the Common Shares unless, in each such case, all dividends then payable on the Preference Shares and on all other Shares of the Company ranking on parity with the Preference Shares with respect to the payment of dividends, accrued to the most recently preceding payment date or dates, have been declared and paid or set aside for payment.

35 CAPITALISATIONS

- 35.1 **Capitalisations.** The Directors may capitalise any sum standing to the credit of any of the Company's reserve accounts or to the credit of profit and loss account or otherwise available for distribution and appropriate such sum to Members in the proportions in which such sum would have been divisible amongst them had the same been a Distribution of profits by way of dividend and apply such sum on their behalf in paying up in full unissued Shares for issue, allotment and distribution credited as fully paid-up to and amongst them in the proportions aforesaid. In such event the Directors may make such provisions as they think fit in the case of Shares becoming distributable in fractions.

36 REPRESENTATION

- 36.1 **Representation of Legal Persons.** The right of any individual to speak for or represent a Member or a Director being a legal person shall be determined by the law of the jurisdiction where, and by the documents by which, such legal person is constituted or derives its existence but save where an objection has been raised by a Member or a Director, the Directors shall not be obliged to verify the rights of individuals purporting to speak for or represent legal persons. In case of doubt, the Directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the Directors may rely and act upon such advice without incurring any liability to any Member or the Company.

37 FINANCIAL YEAR

- 37.1 Unless the Director otherwise prescribe, the financial year of the Company shall be the calendar year.

38 ACCOUNTS

- 38.1 **Accounts.** The Company shall keep proper books of account with respect to (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place; (b) all sales and purchases of goods by the Company; and (c) the assets and liabilities of the Company, that in each case, are sufficient to give a true and fair view of the Company's affairs and to explain its transactions.
- 38.2 **Inspection.** The 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 Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Companies Law or authorised by the Directors or by the Company in general meeting.



- 38.3 **Financial Information.** The Directors may from time to time cause to be prepared and to be laid before the Company, in a general meeting, profit and loss accounts, balance sheets, group accounts (if any) and such other reports and accounts as may be required by law.

39 AUDIT

- 39.1 **Auditor.** The Directors may appoint an auditor of the Company who shall hold office until removed from office by resolution of the Directors, and may fix his or her remuneration, provided that the appointment and provisions relating to auditors shall be in accordance with applicable law and the relevant rules and regulations of any stock exchange on which the Shares are listed for trading.
- 39.2 **Access Right.** Every auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers such information and explanation as may be necessary for any audit.
- 39.3 **Auditor Reports.** Auditors shall, if so required by the Directors, make a report on the accounts of the Company during their tenure of office at such times as shall be required by the Directors or any meeting of the Members.

40 NOTICES

- 40.1 **Calculation of Elapsed Time.** Subject to the laws of the Cayman Islands, where any period of time is expressed as required for the giving of any notice or in any other case where some other action is required to be undertaken within or omitted from being taken during a specified period of time, the calculation of the requisite period of time will not include the day on which the notice is given (or deemed to be given) or the day on which the event giving rise to the need to take or omit action occurred, but shall include the day on which the period of time expires.
- 40.2 **Delivery of Notices.** Notices shall be in writing and may be given by the Company to any Member either personally or by sending it by courier, post, cable, telex, fax or e-mail to him or to his address as shown in the Register of Members (or where the notice is given by e-mail by sending it to the e-mail address provided by such Member). Any notice, if posted from one country to another, is to be sent airmail. E-mail notices may be sent by e-mail text and/or by way of a document attached to an email in portable document format (PDF) or in Microsoft Word format and/or by any other method separately agreed between the Company and its Members.
- 40.3 **Deemed Receipt.** Where a notice is sent by courier, service of the notice shall be deemed to be effected by delivery of the notice to a courier company, and shall be deemed to have been received on the third day (not including Saturdays or Sundays or public holidays) following the day on which the notice was delivered to the courier. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing a notice, and shall be deemed to have been received on the fifth day (not including Saturdays or Sundays or public holidays) following the day on which the notice was posted. Where a notice is sent by cable, telex or fax, service of the notice shall be deemed to have been received on the same day that it was transmitted. Where a notice is given by e-mail service it shall be deemed to be effected by transmitting the e-mail to the e-mail address provided by the intended recipient and shall be deemed to have been received on the same day that it was sent, and it shall not be necessary for the receipt of the e-mail to be acknowledged by the recipient.



- 40.4 **Notices of General Meeting.** Notice of every general meeting shall be given in any manner hereinbefore authorized to every person shown as a Member in the Register of Members on the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the Register of Members.

41 VOLUNTARY LIQUIDATION

- 41.1 Subject to the Companies Law, the Company may by Special Resolution be wound up voluntarily.

42 WINDING UP

- 42.1 **Distribution of Assets.** If the Company shall be wound up (whether voluntarily or by or under the supervision of the Grand Court of the Cayman Islands) the liquidator shall apply the assets of the Company in satisfaction of creditors' claims in such manner as the liquidator thinks fit having regard to the Companies Law. Any surplus shall be distributed firstly to the holders of the Preference Shares who shall be entitled, on the liquidation or dissolution of the Company, whether voluntary or involuntary, or on any other distribution of its assets among its Members for the purpose of winding up its affairs, to receive, before any distribution is made to the holders of Common Shares or any other Shares ranking junior to the Preference Shares with respect to the repayment of capital on the liquidation or dissolution of the Company, whether voluntary or involuntary, or on any other distribution of its assets among its Members for the purpose of winding up its affairs, the amount paid up with respect to each Preference Share held by them, together with all accrued and unpaid cumulative dividends (if any and if preferential) thereon, which for such purpose shall be calculated as if such dividends were accruing on a day to day basis up to the date of such distribution, whether or not earned or declared, and all declared and unpaid non-cumulative dividends (if any and if preferential) thereon. After payment to the holders of the Preference Shares of the amounts so payable to them, they shall not, as such, be entitled to share in any further distribution of property or assets of the Company, except as specifically provided in the special rights and restrictions attached to any particular series. Thereafter the balance shall be paid the holders of Common Shares.

- 42.2 **Valuation of Assets.** If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Companies Law, divide amongst the Members in 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 that purpose value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any asset upon which there is a liability.

43 CONTINUATION

- 43.1 The Company may, subject to the provisions of the Companies Law and with the approval of a Special Resolution, transfer and be registered by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and be de-registered in the Cayman Islands.



44 AMENDMENT OF THE MEMORANDUM AND ARTICLES

- 44.1 Subject to the Companies Law and the rights attaching to any class or series of Shares, the Company may by Special Resolution change its name or alter or amend these Articles and/or the Memorandum in whole or in part.

45 MERGER AND CONSOLIDATION

- 45.1 The Company shall, with the approval of a Special Resolution, have the power to merge or consolidate with one or more constituent companies (as defined in the Companies Law), upon such terms as the Directors may determine.

46 INFORMATION

- 46.1 No Member shall be entitled to require discovery of any information in respect of any detail of the Company's trading or any information which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors would not be in the interests of the Members to communicate to the public.
- 46.2 The Directors shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its Members including, without limitation, information contained in the register of members and transfer books of the Company.

