

REPUBLIC OF VANUATU

THE COMPANIES ACT [CAP 191]

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

IOCS VANUATU LIMITED

A COMPANY LIMITED BY GUARANTEE



Trustees International Limited

P.O. Box 240
Port Vila, Vanuatu
Telephone 22280
Fax 22317



REPUBLIC OF VANUATU

THE COMPANIES ACT [CAP 191]

A Company Limited by Guarantee

MEMORANDUM OF ASSOCIATION

of

IOCS VANUATU LIMITED

- First The name of the Company is **IOCS VANUATU LIMITED** (hereinafter called “the Club”).
- Second The registered office of the Club will be situated in Port Vila, in Vanuatu.
- Third The principal objects for which the Club is established are :-
- (a) to become a member of and participate in whatever manner the Club may deem to be in the interest or for the benefit of the Club and/or its members in International Organization for Community Sharing (hereinafter called “IOCS International”) including but not limited to by becoming an IOCS Community Member of IOCS International f.m.b.a. and/or any successor, affiliate or associate thereof and generally to promote and further the vision and objectives of IOCS International;
 - (b) to provide facilities and services to owners and residents of residential lots of land in Vanuatu purchased, leased or otherwise acquired from any other member of IOCS International;
 - (c) to establish, own and manage a club with associated recreational land for the accommodation of the members of the Club and their guests, visitors and candidates for membership and others as the Directors and Management Committees of the Club under their powers in the Regulations shall determine, to provide recreational services and facilities and other conveniences and generally to afford to members and their guests all the usual privileges, advantages conveniences and accommodation of a social club.
 - (d) To acquire by purchase, lease or otherwise, lands, buildings, tenements or hereditaments, and to build and construct buildings, and to maintain the same, and to lease or let out buildings, offices or premises not immediately required for use by the Club, and to furnish, alter, enlarge, repair, uphold and maintain such buildings and premises, and generally to purchase, take on lease or in exchange, hire or otherwise acquire, property and any rights or privileges which the Club may think necessary or convenient for the purposes of the Club.

- (e) To purchase, hire, make, provide and maintain and to sell or otherwise dispose of all kinds of furniture, plant, papers, stationery, games, tools, implements, machines, utensils and other things required or which may be conveniently used in connection with the objects of the Club.
- (f) To buy, prepare, make, supply, distribute, sell and deal in all kinds of liquors, provisions and refreshments including intoxicating liquors required or used by the members, visitors or guests of the Club.
- (g) To hire and employ all classes of persons considered necessary or expedient for the accomplishment of the purpose of the Club, and to pay such persons salaries, wages, and fees and other benefits as it deems proper.
- (h) To promote and hold either alone or jointly with any other association, club or persons, meetings, competitions and matches for the playing of any sports or pastimes, and to offer, give or contribute towards prizes, medals, and awards therefor.
- (i) To provide facilities for, cater for, promote, hold, give or support functions, balls, courses, seminars, meetings, dinners, cocktail and other parties, receptions, lectures, concerts, exhibitions, sports, games and entertainments of all kinds.
- (j) To establish, promote or assist in establishing or promoting, and to subscribe to, or become a member of or amalgamate with, any other bodies, associations or clubs whose objects are similar or in part similar to the objects of the Club, or the establishment or promotion of which may be beneficial to the Club or its members.
- (k) To engage in any activities in conjunction with other bodies, associations, or clubs within the limits of the Club's objects and to arrange reciprocal concessions and co-operation with other such bodies, associations or clubs.
- (l) To adopt such means of making known and advertising the activities of the Club as may seem expedient.
- (m) To provide, negotiate and obtain for the members and the beneficiaries of the Club's projects such benefits as the Club or any third party shall from time to time make available.
- (n) To support or subscribe to any charitable or public body and any institution, society or club which may be for the benefit of the Club or its members.
- (o) To invest and deal with the moneys of the Club not immediately required upon such securities and in such manner as may from time to time be determined.
- (p) To borrow or raise and give security for money by the issue of or upon bonds, debentures, debenture stocks, bills of exchange, promissory notes or other obligations or securities of the Club or by mortgage or charge upon all or any part of the property of the Club.
- (q) To enter into any arrangements or contracts with any governments or authorities, municipal, local or otherwise or with any person or company that may seem conducive to the objects of the Club or any of them, and to obtain from them any rights, privileges and concessions which the Club may think desirable to obtain and to carry out, exercise and comply with any such arrangements.
- (r) To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

Fourth The liability of the members is limited.

Fifth The Club is a local company.

Sixth The first Directors of the Club will be :

Name

Address

Seventh Every member of the Club undertakes to contribute to the assets of the Club in the event of its being wound up while he is a member, or within one year afterwards, for payment of the debts and liabilities of the Club contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding VT2,000.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association.

Signatures, Names, Address, Descriptions, Nationalities of Subscribers

1.

2.

Dated the day of 2005

Witness to the above signatures :

REPUBLIC OF VANUATU

THE COMPANIES ACT [CAP 191]

A Company Limited by Guarantee

ARTICLES OF ASSOCIATION

of

IOCS VANUATU LIMITED

INTERPRETATION

1. In these Articles, the following expressions shall, except where the context otherwise requires, have the meanings respectively set opposite them : -

Act	The Companies Act [CAP 191] of the laws of Vanuatu together with its amendments for the time being in force;
Class Meeting	A meeting of the Members of a particular class of membership;
Directors	The directors for the time being of the Club or, if no director shall have been appointed, then the subscribers to the Club's Memorandum and Articles of Association;
General Meeting	A meeting of the Voting Members;
Individual	A Person who is a natural person;
IOCS International	International Organization for Community Sharing and, where the context requires a legal entity, then IOCS International f.m.b.a., a company incorporated in Denmark and/or its successor in title;
Lessor	IOCS Real Estate Limited a company incorporated in Vanuatu and its predecessors and successors in title;
Member	A person who has been admitted by the Directors to Membership of the Club of any class for the time being;
Month	Calendar month;
Nominee Subscriber	An Individual who has been nominated by a Corporate Member to enjoy the rights and privileges of membership belonging to that Member;
Organization	A Person which is not a natural person;
Owner	Any person who has entered into a lease or an agreement to lease a residential lot of land in Vanuatu to or from the Lessor;
Person	A person whether natural or juridical and any group of any such persons;
Regulations	The regulations promulgated by the Club from time to time and for the time being in force;

Resident	An individual who is for the time being and has been for a continuous period of not less than three months prior to the relevant time normally resident in or on a residential lot of land in Vanuatu leased from the Lessor;
Secretary	Any person for the time being appointed to perform the duties of the secretary of the Club;
Seal	The common seal of the Club or where appropriate the official seal for use in any particular state, country or territory outside Vanuatu;
Voting Members	The Sponsor Members, the Individual Members, the Family Members and the Corporate Members, and any other Members which the Club may from time to time admit as Voting Members pursuant to an ordinary resolution of the Voting Members.

2. Where appropriate words denoting a singular number only shall include the plural and vice versa and words denoting the masculine gender shall include the feminine and the corporate and vice versa. and reference to a "person" shall include any person whether natural or juridical and any group of any such persons.
3. The words "written" and "in writing" shall include any form of delivery of words which may be read by the human senses no matter on what medium stored or by what means delivered (and whether such medium exists at the date of this Memorandum and Articles of Association or is invented or discovered hereafter) provided that : -
 - (a) a copy of the relevant communication and a record of its delivery is kept in or on a durable medium by the party who delivers it; and
 - (b) the recipient is capable of storing it upon receipt in or on a durable medium.

MEMBERS AND MEMBERSHIP

Number of Members

4. The number of Members with which the Club proposes to be registered is twenty-five thousand but the Directors may from time to time register an increase of Members.

Classes of Membership

5. The Members of the Club shall comprise the following classes : -
 - (a) an Individual Member shall be an Individual of not less than eighteen years of age who is a signatory to this Memorandum and Articles of Association or an Owner or a Resident;
 - (b) a Family Member shall be an Individual of not less than eighteen years of age who is an Owner or a Resident;
 - (c) a Corporate Member shall be an Organization which is an Owner or whose director, officer or employee is a resident;
 - (d) a Sponsor Member shall be a signatory to this Memorandum and Articles of Association or any Person not being a natural person of which IOCS International is a member of any class or category and which the Club shall admit to membership as a Sponsor Member;
 - (e) an Honorary Member shall be any person whose distinguished contribution to the Club or to IOCS International the Club wishes to recognize;
 - (f) any other class to which the Club may from time to time admit Members pursuant to a resolution of the Directors.

Rights of Membership

6. Until the Members shall otherwise by ordinary resolution resolve, only Voting Members shall have the right to attend and vote at General Meetings and the other rights and privileges of Members shall, subject to the remaining provisions of these Articles, be as follows : -

- (a) the rights and privileges of an Individual Member may be enjoyed only by the Member personally;
- (b) the rights and privileges of a Family Member may be enjoyed only by the Member personally and : -
 - (i) by the spouse and children of the Member; or
 - (ii) by the parents and siblings of the Member
 as specified by the Family Member in writing in accordance with the Regulations;
- (c) the rights and privileges of a Corporate Member may be enjoyed by not more than three Nominee Subscribers for the time being nominated by that Member and accepted by the Directors in accordance with the Regulations;
- (d) the rights and privileges of an Honorary Member may be enjoyed only by the Member personally;
- (e) the rights and privileges of any other class of Member shall be such rights and privileges as the Directors may by resolution determine on condition that such rights and privileges do not prejudice or detract from the rights and privileges of any other class of Member without the approval by the Members of that other class given by an Ordinary Resolution of the Members of that class passed at a Class Meeting of such class Members.

Admission to Membership

- 7. Every application for Membership of the Club shall be in accordance with the Regulations and the admission to membership is at the sole discretion of the Club by a simple majority vote of the Directors. The decision of the Directors shall be final and binding upon all interested persons.
- 8. Every person admitted to Membership shall be bound by this Memorandum and Articles of Association and the Regulations.
- 9. Default
 - (a) If the Directors shall so resolve, a Member who is in default of payment of any sum due to the Club or in performance of any obligation owed to the Club shall not be entitled to enjoy any of the rights and privileges of membership until the relevant payment has been made in full or the relevant obligation discharged in full to the satisfaction of the Directors. Until such time as the Directors certify that the default has been remedied to their satisfaction, the member's rights shall be suspended.
 - (b) Where the rights of a Member have been suspended under the provisions of this Article, no Person who is entitled by these Articles to enjoy any of the rights or privileges derived through that Member may enjoy or exercise the same until the Directors have certified that they are satisfied that the default has been cured.

Membership Certificate

- 10. Each Member shall be issued a Membership Certificate under the Seal of the Club designating the class of membership. Except in the case of manifest error or fraud such certificate shall be conclusive evidence of that Member's membership of the Club and his class of membership.
- 11. Every Membership Certificate shall be issued in the name of a single Individual or a single Organization. Joint membership of the club is not permitted.
- 12. If a Membership Certificate is defaced, lost or destroyed, the Directors may resolve to authorize its renewal upon payment by the Member of such fee and upon such terms as to evidence and indemnity and the payment of such out-of-pocket expenses of the Club for considering such evidence as the Directors may resolve.

Membership Register

13. The Club shall maintain a Membership Register which shall contain the full name and address of each Member, the contact information, the name of those other persons who are entitled to enjoy the rights or privileges derived through that Member, the name and membership number of the introducer, the date of admission to membership, the date of cessation of membership and such other particulars as the Directors shall from time to time resolve.
14. The Membership Register shall only be used by the Club for the purpose of promoting the purpose and performance of the duties of the Club and for auditing the same. Except in the course of such promotion and performance no personal information of any Member shall be disclosed to any third party without the written approval of the Member in question, by order of a court of competent jurisdiction or for the preservation of the good name and reputation of the Club, its membership in general and/or of IOCS International.

Termination of Membership

15. A Member may resign as a Member of the Club by notice in writing signed by such Member or (if such Member be an Organization by its duly authorized officer) served on the Club at its registered office. Such resignation shall take effect on such date not earlier than the date on which such notice is received by the Club as is specified in the notice.
16. Subject to any provisions in these Articles or the Regulations, membership of the Club of any class shall cease upon death, liquidation, dissolution or insolvency of the Member.
17. Subject to any provisions in these Articles or the Regulations and to the provisions of any agreement entered into between the Club and a Member, if a Member shall fail to renew his membership or pay any subscription or renewal fee as when the same becomes due, then, if the Directors so resolve, that Member shall be deemed to have resigned.
18. Post-termination Liability
 - (a) The Club shall have no liability to any former Member by reason of the termination of that Member's membership notwithstanding the cause of termination nor shall the Club have any liability to any Member after the termination of his membership for any reason whatsoever.
 - (b) A Member whose membership is terminated for whatever cause shall remain liable for and obliged to pay to the Club all moneys which were at the time of his ceasing to be a Member due from him to the Club.

GENERAL MEETINGS OF MEMBERS

Annual General Meeting

19. Time Limit
 - (a) The Club shall in each year hold a general meeting of all Voting Members as its Annual General Meeting in that year and shall specify the meeting as such in the notices calling it.
 - (b) Subject to the remaining provisions of this sub-clause not more than 15 months shall elapse between the date of one Annual General Meeting of the Club and that of the next.
 - (c) So long as the Club holds its first Annual General Meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year.
20. Time and Place

Each Annual General Meeting shall be held at such time and in such place as the Directors shall resolve.

Extraordinary General Meeting

21. General meetings of all Voting Members other than Annual General Meetings shall be called Extraordinary General Meetings.

22. Convening Extraordinary General Meetings
- (a) The Directors may, whenever they think fit, convene an Extraordinary General Meeting at such time and in such place as the Directors resolve.
 - (b) Extraordinary General Meetings shall also be convened upon the requisition of Voting Members on condition that such requisition complies with the provisions of section 133 of the Act.

Class Meeting

23. General meetings of one or more classes of Members shall be Class Meetings.
24. Convening Class Meetings
- (a) The Directors may, whenever they think fit, convene a Class Meeting of one or more classes of Members at such time and in such place as the Directors resolve. Class Meetings shall also be convened on the written requisition of not less than one half (50%) of the Members of that class for the time being.
 - (b) Class Meetings shall be held at such time and in such place as the relevant requisition may specify and, if not so specified, at such time and in such place as the Directors shall resolve.

Notice of General Meetings

25. Delivery of Notice
- (a) Notice of general meetings shall be given to all Members entitled to receive notice of and to attend and vote at the meeting in question.
 - (b) Notices shall be delivered either : -
 - (i) by notice in writing addressed to each Member according to the last known contact particulars contained in the Membership Register; and/or
 - (ii) by announcement on the website of the Clubas the Directors shall resolve for a particular meeting.
26. A Member who is for the time being in default in payment of any sum or performance of any obligation due to the Club shall not be entitled to receive notice of or to attend or vote at any general meeting.
27. Notice of a general meeting shall : -
- (a) state the date, time and place for the meeting to take place;
 - (b) contain the agenda for the meeting; and
 - (c) contain enclosures sufficient to enable the Members to be informed of the substance of the issues to be discussed and/or decided upon at the meeting.
28. Period of Notice
- (a) An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by 21 days' notice at the least.
 - (b) Any other general meeting shall be called by 14 days' notice at the least.
 - (c) The period of notice required by this Article shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given.
29. Waiver of Notice
- A general meeting shall, notwithstanding that it is called by shorter notice than that specified in the previous Article, be deemed to have been duly called if it is so agreed : -
- (i) in the case of a meeting called as an Annual General Meeting, by all the Voting Members; or

- (ii) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together representing not less than three quarters (75%) of the total voting rights of all such Members.
30. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any Member entitled to receive notice shall not invalidate the proceedings at that meeting.

Admission to General Meetings

31. Unless resolved otherwise by the Directors or by a majority of the Members present and entitled to vote at the relevant meeting, only Members entitled to receive notice of and to attend and vote in a particular general meeting or their proxies shall be admitted to the meeting.

Votes of Members

32. Subject to any rights or restrictions for the time being attached to a class of membership, every Member shall have one vote.
33. Votes of Different Classes
- (a) At general meetings of the Voting Members, the Sponsor Members shall vote as one class and the remaining Voting Members shall together vote as one class and a favourable vote of both such classes shall be required to pass a resolution in default of which the relevant proposal shall be rejected.
 - (b) At general meetings where more than one class of Members shall have the right to vote, Members of each class of membership present in person or by proxy shall vote separately, and a favourable vote of all Classes of Membership shall be required to pass a resolution in default of which the relevant proposal shall be rejected.
34. The Chairman of any general meeting shall have no casting vote and in the case of an equality of votes the resolution upon which such vote was taken shall fail.

Proxies

35. A proxy need not be a Member of the Club.
36. Unless otherwise resolved by the Directors, one proxy may not represent more than five different Members at any one meeting.
37. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is an Organization, either under seal or under the hand of an officer or attorney duly authorised.
38. The instrument appointing a proxy shall be deemed to confer authority to vote on a show of hands or on a poll on behalf of the Member, and to demand or join in demanding a poll or to consent to the holding of a meeting at short notice.
39. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit : -

“ IOCS Vanuatu Limited

I/We, [*name of Member*] of [*address of Member*]

being a member of IOCS Vanuatu Limited, hereby appoint [*name of first nominee*] of [*address of first nominee*] or failing him/her*, [*name of second nominee*] of [*address of second nominee*] as my/our proxy to vote for me/us on my/our behalf at the (annual or extraordinary or class, [*as the case may be*]) general meeting of the Company, to be held on the day of , and at any adjournment thereof.

Signed this day of 20 .

This form is to be used *in favour of the resolution
against

Unless otherwise instructed, the proxy will vote as he thinks fit.

*Strike out whichever is not desired.”

40. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Club before the commencement of the meeting or adjourned meeting at which the proxy is used.

Proceedings at General Meetings

41. All business shall be deemed special that is transacted at an Extraordinary General Meeting, or at a Class Meeting, and also all that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets, and the reports of the Directors and auditors, the election of Directors in the place of those retiring and the remuneration of Directors, and the appointment and fixing of the remuneration of the auditors.
42. Quorum
- (a) No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business.
- (b) Except as herein otherwise provided, one-tenth (10%) of the number of Members of each class of membership entitled to receive notice of the meeting in question present in person or by proxy shall be a quorum.
43. If within half an hour from 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 same day at the same time and place, or to such other day and at 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, then the Members present shall be a quorum.
44. Chairman
- (a) The chairman of the Board of Directors, if any, shall preside as chairman at every Annual General Meeting of the Club.
- (b) If there is no such chairman or if he shall not be present when the Annual General Meeting begins, then the Directors present shall elect one of their number to be the Chairman.
- (c) In the case of any other general meetings, the Members present shall choose one of their number to be chairman of the meeting.
45. Voting
- (a) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by :-
- (i) the chairman; or
- (ii) at least three Members present in person or by proxy; or
- (iii) any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.
- (b) Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Club shall be conclusive

evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- (c) The demand for a poll may be withdrawn.
- (d) Except as provided in this Article, if a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (e) A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

Corporations Acting by Representatives at Meetings

- 46. Any Organization which is a Member of the Club may by resolution of its Directors or other governing body authorize such Individual as it thinks fit to act as its representative at any general meeting of the Club, and the Individual so authorized shall be entitled to exercise the same powers on behalf of the Organization which he represents as that Organization could exercise if it were an Individual Member of the Club.

Written Resolutions of Members

- 47. A resolution in writing signed by three quarters (75%) of the Members of the Club or of any class thereof (as the case may be) for the time being entitled to receive notice of and to attend and vote at general meetings (or, being Organizations, by their duly authorized representative) shall be as valid and effective as if it had been passed as an ordinary or special resolution (as the case may be) at an Extraordinary General Meeting of the Club or of the relevant class of Members (as the case may be) duly convened and held.

DIRECTORS

Appointment of Directors

- 48. Unless otherwise resolved by ordinary resolution, the number of Directors shall not be more than seven.
- 49. Only Members and the directors or other executive officers of Organizations which are Members are eligible to be Directors of the Club.
- 50. Until the first general meeting of the Club, the first Board of Directors shall consist of the subscribers to the Memorandum and Articles of Association of the Club and such other persons as may be agreed in writing by the majority of the subscribers.
- 51. The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors on condition that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles.

Term of Office of a Director

- 52. The term of office of a Director shall be from the date of his appointment to the date of the next Annual General Meeting at which he shall retire but be eligible for re-election.
- 53. At each Annual General Meeting all of the Directors shall retire but shall be eligible for re-election.
- 54. A Director may resign from his office at any time by giving written notice to the Club addressed to its registered office. Such resignation shall take effect on such date not earlier than the date on which such notice is received by the Club as is specified in the notice or upon its earlier acceptance.

Disqualification and Removal of Directors

55. The Club may by ordinary resolution of which special notice has been given in accordance with section 143 of the Act remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Club and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Club.
56. The Club may by ordinary resolution appoint another person in place of a Director removed from office. Without prejudice to the powers of the Directors, the Club in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director.
57. The office of Director shall be vacated if the Director : -
 - (a) becomes bankrupt or suspends payment or makes any arrangement or composition with his creditors generally; or
 - (b) becomes prohibited from being a Director by reason of any order made under section 200 of the Act; or
 - (c) becomes of unsound mind; or
 - (d) resigns his office by notice in writing to the Club pursuant to Article 54; or
 - (e) shall for more than 6 months have been absent without permission of the Directors from meetings of the Directors held during that period; or
 - (f) is directly or indirectly interested in any contract with the Club and fails to declare the nature of his interest in the manner required by section 208 of the Act; or
 - (g) is removed by an ordinary resolution passed pursuant to Article 55.

Remuneration of Directors

58. The Directors shall be paid out of the funds of the Club remuneration for their services at such rate as shall from time to time be decided by the Club in the Annual General Meeting.
59. Except as otherwise resolved at the meeting at which such remuneration was approved, all sums paid to the Directors by way of remuneration shall be divided amongst the Directors as they shall mutually agree or in default of such agreement equally between them.
60. The Directors shall also be entitled to be paid their reasonable travelling, hotel and other expenses incurred in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Club or in connection with the business of the Club.

Borrowing Powers

61. The Directors may exercise all the powers of the Club to borrow money for the purposes of the Club without limit and upon such terms as they may think fit and to mortgage or charge its undertaking and property (both present and future) or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Club or of any third party who or which is a member of IOCS International.

Powers and Duties of Directors

62. The affairs of the Club shall be directed and managed by the Directors, who may pay all expenses incurred in promoting, registering and operating the Club and may exercise all the powers of the Club subject to the Act and the Regulations and to any directions given by special resolution.
63. No Regulation and no resolution passed in general meeting shall invalidate any prior resolution or act of the Directors which was valid at the time it was passed, made or done.

64. The Directors shall carry out or authorize the carrying out of all acts or deeds or business of the Club in furtherance of its objects and may engage and remunerate one or more managers and staff or the purpose.
65. The Directors may elect and appoint from among their number a chairman, a vice-chairman, a treasurer and/or such other officers as they may be resolution determine and may assign their respective duties.
66. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Club, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.
67. The Directors shall cause minutes to be made in books provided for the purpose : -
 - (a) of all appointments of officers made by the Directors;
 - (b) of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors; and
 - (c) of all resolutions (including written resolutions) and proceedings at all General Meetings, Class Meetings, meetings of the Directors and of Committees of Directors.
68. The Directors may on behalf of the Club 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 Club 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.

Attorneys

69. The Directors may from time to time and at any time by power of attorney appoint any Organization whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Club for such purposes 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.
70. Any such appointment may, if the Directors think fit, be made in favour of any Organization whether nominated directly or indirectly by the Directors.
71. Any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

Directors' Interests

72. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract (being a contract of significance in relation to the Club's business) with the Club shall, if his interest in the contract or proposed contract is material, declare the nature of his interest at a meeting of the Directors in accordance with section 208 of the Act.
73. A Director may vote in respect of any contract or arrangement in which he is interested or upon any matter arising thereout and if he shall do so his vote shall be counted and he shall be reckoned in calculating a quorum when any such contract or arrangement is under consideration, provided that the nature of his interest is disclosed by him at the meeting of the Directors at which the contract or arrangement is first taken into consideration (if his interest then exists) or (in any other case) at the first meeting of the Directors after the acquisition of his interest, whether such acquisition is before or after the contract or arrangement in question is entered into.
74. A Director may hold any other office or place of profit under the Club (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 resolve and no Director or intending Director shall be disqualified by his office from contracting with the Club either with regard to his tenure

of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Club in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Club for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

75. A Director may, notwithstanding his interest, be counted in the quorum present at any meeting at which he or any other Director is appointed to hold any such office or place of profit under the Club or at which the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.
76. Any Director may act by himself or his Organization in a professional capacity for the Club, and he or his Organization shall be entitled to remuneration for professional services as if he were not a Director but nothing herein contained shall authorize a Director or his Organization to act as auditor to the Club.

Board Meetings

77. A Director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.
78. Meetings of Directors may be held in any part of the world as may be convenient for the majority.
79. The Directors may participate in meetings physically or by means of a telephone or other audio communications equipment by means of which all persons attending or participating in the meeting can hear each other. All Directors so participating shall be deemed for all purposes to be present in person at such meeting.

Proceedings of Directors

80. The Directors may by resolution fix the quorum necessary for the transaction of business and until so fixed shall be the greater of : -
 - (i) two Directors; or
 - (ii) more than one-third of the number of Directors for the time beingwho must be present throughout the meeting.
81. The Chairman of the Board shall preside as Chairman at every meeting of the Board but, if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.
82. All matters arising at the meeting shall be decided by a simple majority of votes of those present.
83. The Chairman of the meeting shall have no casting vote and, in the case of an equality of votes, the resolution upon which such vote was taken shall fail.
84. The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number or of summoning a General Meeting for that purpose but not for any other purpose.

Written resolution of Directors

85. A resolution in writing, signed by a majority of the Directors and consisting of one document or separate copies prepared and/or circulated for the purpose shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held.

86. In calculating a majority for the purposes of Article 85, a Director who is interested in the subject matter of the relevant resolution shall not be counted unless he has disclosed his interest in accordance with the provisions of Article 72.

MANAGEMENT COMMITTEES

87. The Directors may at any time resolve to form one or more management committees or sub-committees and may delegate any of their powers to such committees consisting of such Individuals as they may resolve.
88. Any committee or sub-committee so formed shall in the exercise of the powers so delegated conform to the Regulations and any restrictions, conditions and terms that may be imposed on them by the Directors.
89. A committee or sub-committee may meet and adjourn as it thinks proper.
90. A committee or sub-committee may elect any committee member as chairman of its meetings. If no such chairman is elected or if at any meeting the chairman is not present at the time appointed for holding the same, the committee or sub-committee members present may choose one of their number to be chairman of the meeting.
91. All matters arising at the meeting shall be decided by a simple majority of votes of the members present.
92. The chairman of the meeting shall have no casting vote and, in the case of an equality of votes, the resolution upon which such vote was taken shall fail.

ACTS OF THE DIRECTORS AND MANAGEMENT COMMITTEE MEMBERS

93. All acts done by any Director, of any management committee or sub-committee members shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director, committee or sub-committee member, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director, committee or sub-committee member.

SECRETARY

94. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may resolve and any secretary so appointed may be removed by them.
95. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

THE SEAL

96. The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors. All deeds or instruments to which the Seal shall be affixed shall be signed by such person or persons as the Directors may from time to time by resolution appoint for the purpose.

ACCOUNTS

97. The Directors shall cause proper books of account to be kept with respect to :-
- (a) all sums of money received and expended by the Club and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Club; and
 - (c) the assets and liabilities of the Club.

98. The books of account shall be kept at the registered office of the Club or, subject to section 148(4) of the Act, at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
99. 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 Club or any of them shall be open to the inspection of Members not being Directors. No Member who is not a Director shall have any right of inspecting any account or book or document of the Club except as conferred by the Act or authorized by the Directors or by the Club in General Meeting.
100. The Directors shall from time to time, in accordance with sections 149, 154 and 161 of the Act, cause to be prepared and to be laid before the Club in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
101. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Club in General Meeting shall, not less than 21 days before the date of the meeting be sent to every Voting Member and every holder of debentures of the Club and to all persons (if any) other than Voting Members or holders of debentures of the Club who are entitled to receive notices of general meetings of the Club.

AUDIT

102. Auditors shall be appointed and their duties regulated in accordance with section 163 to 167 of the Act.

NOTICES

103. A notice may be given by the Club to any Member either personally or by sending it by post to him or to his registered address, or (if he has no registered address within Vanuatu) to the address of the property of which he is Owner or Resident. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

INDEMNITY

104. Every Director, Managing Director, Committee Member, Sub-Committee Member, agent, auditor, and other officer for the time being of the Club shall be indemnified out of the assets of the Club against any liability incurred by him in relation to the Club in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 404 of the Act in which relief is granted to him by the court.
105. No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Club in the execution of the duties of his office or in relation thereto but this clause shall only have effect in so far as its provisions are not avoided by any provision of the Act.

WINDING UP and DISSOLUTION

106. The Club may be wound up voluntarily by a special resolution.
107. Dissolution of the Club shall be carried out in accordance with the section of the Act governing solvent dissolution.
108. If upon the winding up or dissolution of the Club, there remain after the satisfaction of all its debts and liabilities, any assets whatever, the same shall be paid to and distributed among the Voting Members pro rata to the amounts of fees or subscriptions they have each respectively contributed to the Club over the period of 3 years immediately preceding the dissolution.

JURISDICTION and ARBITRATION

109. This Memorandum and Articles of Association shall be governed and construed in accordance with the laws of the Republic of Vanuatu.

Signatures, Names, Address, Descriptions, Nationalities of Subscribers

1.

2.

Dated the day of 2005

Witness to the above signatures :