

STATEMENT OF DIRECTORS' DUTIES'

General

1. The law imposes duties on director. If a person does not comply with his duties as a director he may be liable to civil or criminal proceedings and he may be disqualified from acting as a director.
2. Set out below there is a summary of the main duties of a director to his Company. It is not a complete statement of a director's duties, and the law may change anyway. If a person is not clear about his duties as a director in any situation he should seek advice.

Loyalty

3. A director must act in good faith in what he considers to be the interests of the Company.

Obedience

4. A director must act in accordance with the Company's constitution (such as the articles of association) and must exercise his powers only for the purposes allowed by law.

No secret profits

5. A director must not use the Company's property, information or opportunities for his own or anyone else's benefit unless he is allowed to by the Company's constitution or the use has been disclosed to the Company in general meeting and the Company has consented to it.

Independence

6. A director must not agree to restrict his power to exercise an independent judgement. But if he considers in good faith that it is in the interests of the Company for a transaction to be entered into and carried into effect, he may restrict his power to exercise an independent judgement by agreeing to act in a particular way to achieve this.

Conflict of interest

7. If there is a conflict between an interest or duty of a director and an interest of the Company in any transaction, he must account to the Company for any benefit he receives from the transaction. This applies whether or not the Company sets aside the transaction. But he does not have to account for the benefit if he is allowed to have the interest or duty by the Company's constitution or the interest or duty has been disclosed to and approved by the Company in general meeting.

Care, skill and diligence

8. A director owes the Company a duty to exercise the care, skill and diligence which would be exercised in the same circumstances by a reasonable person having both:-
 - (a) the knowledge and experience that may reasonably be expected of a person in the same position as the director, and
 - (b) the knowledge and experience which the director has.

Interests of employees etc

9. A director must have regard to the interests of the Company's employees in general and its members.

Fairness

10. A director must act fairly as between different members.

Effect of this statement

11. The law stating the duties of directors is not affected by this statement or by the fact that, by signing this document, a director acknowledges that he has read the statement.