



AS  
18 APR 2018

C82098/10

**JD CAPITAL PLC (C-82098)**

*HHF 303, Industrial Estate, Hal Far, Birzebbugia,, Malta*

Minutes of the Extraordinary General Meeting of the JD Capital PLC (the "Company") held 4th April 2018 at 12:00 hours and ending at 12:30 hours at the registered office of the Company.

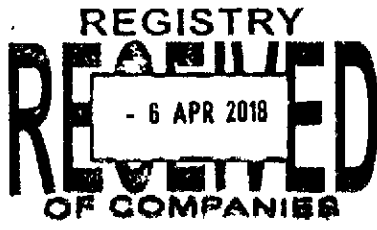
**THE SHAREHOLDER, HAVING NOTED** the changes in the Memorandum and Articles of Association of the Company, attached to this resolution and marked as "Doc A".

**HEREBY RESOLVES THAT:**

- (1) The current Memorandum and Articles of Association, be and are hereby substituted in toto by the Memorandum and Articles of Association attached to this resolution and marked as "Doc A"; and
- (2) Any director of the Company and/or the Company Secretary be and are hereby authorised to issue and authenticate a certified copy of these minutes and to deliver and register the same at the Registry of Companies and to produce certified true copies of the new Memorandum and Articles of Association.

Josef Dimech  
For and on behalf of  
JD Holdings Limited

Josef Dimech



MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

**JD CAPITAL PLC**

**MEMORANDUM OF ASSOCIATION  
OF  
JD CAPITAL PLC**

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**1. Name**

- 1.1. The name of the company is **JD CAPITAL PLC** (hereinafter in this Memorandum and in the attached Articles of Association referred to as the "Company").

**2. Status**

- 2.1. The Company is a public company.

**3. Registered Office**

- 3.1. The registered office of the Company shall be at **HHF 303 Industrial Estate, Hal Far, Birzebbugia, Malta** or at such other address in Malta as the board of directors may from time to time determine.

**4. Objects**

The objects for which the Company is established are:

- (a) To subscribe for, take, purchase or otherwise acquire and hold shares, stocks, debentures or other securities of any other company having objects altogether or in part similar to those of the Company or carrying on any business capable of being conducted so as to directly or indirectly to benefit the Company and to co-ordinate, finance and manage the business or operation of any company in which the Company holds any such interest;
- (b) To acquire by purchase, take on lease, hire or on emphyteusis or in exchange or otherwise acquire under any title and to hold, or to sell, give on lease or on emphyteusis or in exchange or otherwise dispose of or alienate under any title, hypothecate, erect, construct, reconstruct, furnish, equip, renovate, maintain, alter, develop, manage and in any other manner and for any other purpose or otherwise deal with any house, building or immovable property, of any type, whether situated in Malta or elsewhere, whether subject or not to any encumbrances, and any interest or right therein;
- (c) To purchase or sell, take or let on lease, take or give in exchange or on hire, or otherwise acquire, grant, hold or dispose of the whole or part of any interest in any estate, business assets, liabilities, lands, buildings, easements, concessions, machinery, plant, stock in trade, bonds, debentures, securities, titles of credit, goodwill, trade-marks, designs, patterns, patents, copyright or licenses or any other movable or immovable, corporeal or incorporeal property of any kind for the purpose of, or in connection with, the Company's business or branch thereof;

- (d) To carry on any other business which, in the opinion of the Board of Directors, can be advantageously or conveniently carried on in connection with any of the businesses of the Company, or is calculated to enhance the value of or render profitable any of the property or rights of the Company;
- (e) To export, import, buy, sell, barter, exchange, pledge or otherwise deal in goods of whatever nature;
- (f) To promote, market, license, manage, provide consultancy services, and otherwise handle new business ventures and projects, and to carry out all other activities of a related nature;
- (g) To borrow or raise money in such a manner as the Company shall deem appropriate and in particular by the issue of debentures or other securities or rights and to secure the repayment of any money so borrowed by hypothecation, privilege, charge or lien upon the whole or any other part of the Company's property or assets, including its uncalled capital, and also by a similar hypothecation, privilege, charge or lien to secure and guarantee the performance of any debt, liability or obligation of the Company or of any third party;
- (h) To give guarantees in favour of third parties as it shall think fit and to mortgage, hypothecate or charge the whole or any part of the property or assets of the Company, present and future including uncalled and unissued capital;
- (i) To enter into any agreement or make any arrangements in connection with the Company's business with any government department or other authority, corporation, company or person which, in the opinion of the Board of Directors, is in the interest of the Company;
- (j) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments;
- (k) To enter into any partnership or arrangement for sharing profits, union of interest or co-operation with any partnership, firm or person carrying on or proposing to carry on any business within the objects of the Company;
- (l) To amalgamate with any other partnership, firm or enterprise having objects similar to those of the Company;
- (m) To lend and advance money or give credit (on such terms as it may deem appropriate) exclusively to companies which are, directly or indirectly, participated by the Company;
- (n) To lend money to customers and to guarantee the observance and performance of obligations and contracts by customers or others;
- (o) To distribute among the members of the Company 'in specie' by way of dividend or return of capital any property or assets of the Company, or any proceeds of sale or

disposal of any property or assets of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law;

- (p) To remunerate any company, firm or person rendering services to the Company whether by cash payment or by allotment to him or them of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise;
- (q) To undertake the conduct, management, agency and administration on behalf of any other corporation, company, body or person of any business or undertaking of a kind which the Company is authorised to carry on;
- (r) To carry out such activities as may be ancillary to the above or as may be necessary or desirable to achieve the above objects;
- (s) To pay out of the funds of the Company all costs, charges and expenses preliminary and incidental to the promotion of the Company and the issue of its capital;
- (t) To do all or any of the above things and matters aforesaid in any part of the world either as principals, agents, contractors or otherwise, and either alone or in conjunction with others or by or through agents, subcontractors or otherwise; and
- (u) To do all such other things as may be deemed necessary, conducive or incidental to the attainment of the above objects, or any of them.

Nothing in the foregoing shall be construed as empowering or enabling the company to carry out any activity or service which requires a licence or other authorisation under any law in force in Malta without such a licence or other appropriate authorisation from the relevant competent authority and the provisions of Article 77(3) of the Companies Act shall apply.

## **5. Members' Liability**

- 5.1. The liability of the members is limited to the amount, if any, unpaid on the shares respectively held by them.

## **6. Share Capital**

- 6.1. The authorised share capital of the Company is of two hundred and forty five thousand euro (€245,000) divided into two hundred and forty five thousand (245,000) Ordinary Shares of one Euro (€1.00) each.
- 6.2. The issued share capital of the Company is of forty six thousand six hundred Euro (€ 46,600) consisting of forty six thousand and six hundred (46,600) Ordinary shares of €1.00 each, fully paid up and subscribed by the undernoted as follows:

**JD Holdings Limited**  
(C 82095)

46,599 Ordinary Shares

HHF 303, Industrial Estate,  
Hal far,  
Birzebbugia,  
Malta

**Josef Dimech**  
(326179M)

1 Ordinary share

Standard, Flat 5,  
Triq C. De Brockdorff,  
Msida,  
Malta

**Total shares** **46,600**

**7. Class Rights**

7.1. All Ordinary shares in the Company shall rank equally in all respects. Each Ordinary share in the Company shall give its holder the right to one (1) vote at any general meeting of the Company.

**8. Directors**

8.1. The management and administration of the Company's affairs is entrusted to a Board of Directors composed of a minimum of two (2) directors and not more than four (4) directors.

8.2. Directors are to be appointed by the holders of the Ordinary Shares, in accordance with the provisions of the Articles of Association of the Company.

8.3. The directors shall be:-

**JOSEF DIMECH**  
(I.D. No: 326179M)  
Standard, Flat 5,  
Triq C. De Brockdorff,  
Msida  
Malta

(the "**Managing Director**")

**GAETANO VELLA**  
(I.D. No: 381660M)  
3, Dwejra,  
Triq l-Inkurunazzjoni

Il-Mosta  
Malta

**STANLEY PORTELLI**

(I.D. No: 163472M)  
Dar Il-Barbagann  
Triq Strejnu  
Iż-Żejtun  
Malta

**STEPHEN MUSCAT**

(I.D. No: 460561M)  
17/1, Kevman Apartments  
Triq Id-Denci,  
Mellieha MLH 4410Malta

Any Directors apart from Josef Dimech are hereinafter referred to as the “**Non-Executive Directors**”.

**9. Representation**

- 9.1. The legal representation of the Company shall be vested in two (2) directors acting jointly, one of which shall be Josef Dimech (I.D. No: 326179M) and the other being any other director of the Company, or, without prejudice to the aforesaid, in such manner as the Board of Directors shall from time to time and for any particular purpose or purposes determine.
- 9.2. For the purposes of this clause, “legal representation” shall include, but not be limited to, the power to enter into, sign and execute any contract of whatsoever nature and all other documents purporting to bind the Company as well as to sign, draw, accept, endorse or otherwise execute all cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company.
- 9.3. One Director shall represent the Company in judicial proceedings, provided that no proceedings may be instituted by the Company without the Board’s authority.

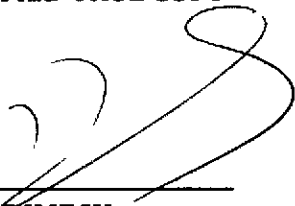
**10. Secretary**

- 10.1. The secretary of the Company shall be:

**STANLEY PORTELLI**

(I.D. No: 163472M)  
Dar Il-Barbagann  
Triq Strejnu  
Iż-Żejtun  
Malta

**CERTIFIED TRUE COPY**



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**JOSE DIMECH**  
Director



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**ARTICLES OF ASSOCIATION  
OF  
JD CAPITAL PLC**

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**PRELIMINARY**

1. In these Articles of Association, unless the context otherwise requires:

**'Act'** means the Companies Act, Chapter 386 of the laws of Malta, and any modification thereto or re-enactment thereof for the time being in force;

**'Articles'** means the Articles of Association of the Company as may from time to time be in force;

**'Board'** means the Board of Directors of the Company;

**'Debt Securities'** means debentures, including, debenture stock, loan stock, bonds and other instruments creating or otherwise acknowledging indebtedness, but excluding such instruments that are issued as debt securities but have an option or right to be converted into the share capital of the Company;

**'Director'** means the Directors of the Company 'Executive Director' and 'Non-Executive Director' shall have the same meaning as these terms are given in the Memorandum of Association;

**'Equity Securities'** means shares in the Company of whatever class or any other securities that can be converted or exchanged into, or which carry the right to subscribe for, share/s of whatever class in the Company;

**'Exchange'** means the Malta Stock Exchange as established by Chapter 245 of the laws of Malta;

**'Member'** means a holder of shares in the Company;

**'Prospects'** means the multilateral trading facility operated by the Exchange and intended to be a listing venue for small and medium sized enterprises to admit financial instruments (both Debt Securities and Equity Securities). Accordingly, 'Admission' shall be construed as an admission to this listing venue, and 'Prospects Rules' shall refer to the rules in force from time to time regulating the activities of the Company applying to companies whose securities are admitted to Prospects;

**'Securities'** means Debt Securities or Equity Securities.

2. The regulations contained in Part I and Part II of the First Schedule to the Act shall not apply to the Company.

## **ISSUE OF SHARES**

3. The Directors may, if they deem fit, cause any of the Securities of the Company, irrespective of class, whether in issue or to be issued pursuant to these Articles, to be admitted to Prospects or quoted and listed on the Exchange, as the case may be.
4. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.
5. Subject to the provisions of Article 115 of the Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may by extraordinary resolution determine.
6. The Board shall not have the authority to issue shares unless the maximum amount to be issued and the terms of the issue are authorised by an extraordinary resolution of the members and the Board shall not have the authority to restrict or withdraw the right of pre-emption unless authorised by the said extraordinary resolution.
7. Every fresh issue of shares of any class shall be made in a manner so as to preserve, as nearly as possible, the existing proportions between the holders of shares in that class, unless consented to by an extraordinary resolution of the members.
8. A holder of a share option shall not be entitled, before the exercise of the option, to any voting rights or other rights whatsoever except for the rights expressed in the relative agreement or terms of issue. In particular, no dividends shall be payable or accrue in respect of any share option agreement unless and until the option is exercised.
9. Without prejudice to the generality of the preceding Article, on a fresh issue of shares of any class, such shares shall be offered in the first place to a Member or Members holding shares of that class as closely as possible in the same proportion as the number of shares already held by them respectively. The offer shall be made by notice in writing specifying the number of shares offered and their value and stating a time, being not less than twenty eight (28) days, within which the offer, if not accepted, shall be deemed to have been declined.
10. Any shares offered in terms of Article 10 above which are not taken up by a Member to whom they were initially offered shall then be subsequently offered to the other Member or Members holding shares of the same class in respect of which the fresh issue is proposed to take place provided that such Member or Members shall have taken up their whole offer and, if the requests for shares from such Members shall exceed the number of shares on offer and not taken up, they shall be allotted as closely as possible in proportion to the number of shares held by them respectively prior to the said fresh issue of shares.

For the purposes of this Article, the subsequent offer shall be made by notice in writing specifying the number of shares offered and their value and stating a time, being not less than twenty eight (28) days, within which the offer, if not accepted, shall be deemed to have been declined.

11. Any shares offered pursuant to the provisions of Article 11 which are not taken up by a Member or Members as aforesaid shall then be offered to all the other Members of the Company holding shares in a class or classes other than that in respect of which the fresh issue is proposed to take place and, if the requests for shares from such Members shall exceed the number of shares on offer and not taken up, they shall be allotted as closely as possible in proportion to the number of shares held by them respectively prior to the said fresh issue of shares.
12. If a number of shares are not taken up by any Member or Members on a fresh issue of shares the remaining shares may not be then offered to non-members and the Board shall not have the authority to issue such shares.
13. No Director shall be eligible to participate in the issue or allotment of shares offered to the employees of the Company without proper approval of the shareholders in the general meeting.
14. In respect of shares held subject to usufruct, the names of the bare owner and the usufructuary shall be entered in the register of Members. The usufructuary shall for all intents and purposes be deemed vis-à-vis the Company to be the registered holder of the shares so held and shall be entitled to all the rights and advantages conferred by membership of the Company, including the right to receive dividends and to attend and to vote at meetings of the company but shall not have the right to dispose of the shares so held without the consent of the bare owner. In the event that there is more than one usufructuary, the provisions of the preceding articles shall apply *mutatis mutandis*.
15. The Company may exercise the power of paying commissions or of making discounts or allowances provided it complies with the requirements of Article 113 of the Act. Such commission/s may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
16. Wherever there are preference shares in issue, the holders of those shares shall have the same rights as holders of Ordinary Shares of the Company with respect to receiving notices, reports, balance sheets and in attending general meetings.

Provided further that preference shareholders shall also have the right to vote at any general meetings where that general meeting is tasked with resolving on:

- a) Reducing the share capital of the Company;
- b) Dissolving and winding up the Company;
- c) Matters that directly affect the rights and privileges attaching to their shares; and
- d) Matters that might impact the dividend payable on their shares where this is due and payable (an in arrears) for a period in excess of six (6) months.

17. All Securities of a particular class admitted to Prospects shall:
- e) rank pari passu;
  - f) be fungible;
  - g) be freely transferable and fully paid-up;
  - h) denominated in Euros or any other convertible currency acceptable to the Exchange;
  - i) unconditionally allotted; and
  - j) validly issued under the Company's Memorandum and Articles of Association or equivalent constitutional documents.
18. All facilities and information necessary for holders of Securities to exercise their rights shall be available in Malta, while preserving date integrity and authenticity.
19. Every person whose name is entered as a member in the register of members shall be entitled without payment to receive one certificate for all his shares or several certificates each for one or more of his shares upon payment of one Euro (€1) for every certificate after the first or such less sum as the Board shall from time to time determine. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of one Euro (€1) or such less sum and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses of the Company on investigating evidence as the Board deems fit.

#### **VARIATION OF CLASS RIGHTS**

20. If at any time the share capital is divided into different classes of shares, the change of any shares from one class into another or the variation of the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class which is to be changed or the rights attached to which are to be varied, according to the case) may, whether or not the Company is being wound up, be made with the consent in writing of the holders of three-fourths of the issued shares of that class, and the holders of three-fourths of the issued shares of any other class affected hereby. Such change or variation may also be made with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the issued shares of that class and of an extraordinary resolution passed at a separate general meeting of the holders of the issued shares of any other class affected thereby. To every such separate general meeting the provisions of these regulations relating to general meetings shall apply.

#### **CALLS ON SHARES**

21. The Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment) pay to the Company, at the time or times and place so specified, the amount called on his shares. A call may be revoked or postponed as the Board may determine.

22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
23. If a sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay annual interest thereon from the day appointed for payment thereof to the time of actual payment at such rate not exceeding two percentage points over the European Central Bank minimum discount rate as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
24. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. The Board may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
26. The Board may, in its absolute discretion, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay annual interest at such rate not exceeding two percentage points over the European Central Bank minimum discount rate, as may be agreed upon by the Board and the members paying such sum in advance or to a body corporate 95% owned by such member
27. The entitlement to receive any dividend and/or the right to exercise any privilege as a Member including the right to vote at general meetings, shall be suspended until the said Member shall have paid all calls for the time being due and payable on every share held by him, together with interests and expenses, if any.

## **TRANSFER AND TRANSMISSION OF SHARES**

28. The right to transfer shares in the Company is restricted in the manner and to the extent prescribed in these Articles.

In addition:

- a) If any member (hereinafter referred to as the **"Transferring Member"**) wishes to transfer his shares or any one of them, he shall inform the Board by a notice in writing (hereinafter referred to as the **"Transfer Notice"**) specifying the number of shares to be transferred, the name of the proposed transferee and his estimated valuation of each share. The Transferring Member shall not be entitled to revoke a Transfer Notice without the consent in writing of the Board.

- b) Debt securities, where admitted, shall be freely transferable, subject to Prospects requirements relating to formalizing of transfers and the terms and conditions attaching to that debt security in terms of any admission document approved by the Exchange.
  - c) The receipt by the Board of a Transfer Notice shall constitute an authority to the Board to offer for sale the shares specified therein at a fair valuation to be ascertained as follows:
    - 1. At the Member's estimated valuation, if considered by the Board to be a fair one.
    - 2. At a value placed on them by the auditors where the Member's valuation is not considered by the Board to be a fair one.
    - 3. At a valuation placed on them by any other person whom the Board, with the consent in writing of the Transferring Member, shall appoint where for any reason the auditors shall not make the said valuation.
29. Without prejudice to the provisions of Article 28 of these Articles, the Board shall not register a transfer of shares in the Company unless a proper instrument of transfer or an authentic copy thereof has been delivered to the Company, which instrument shall be in writing in any usual or common form or any other form which the Board may approve. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
30. The Board may also decline to recognise any instrument of transfer unless:
- a. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - b. the instrument of transfer is in respect of only one class of share.
31. The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year.
32. The Board may in its absolute discretion and without assigning any reason therefor, decline to register any transfer of any share whether or not it is a fully paid share. In the event that the Board refuses to register a transfer of shares the Board shall, within two (2) months after the date on which the transfer was lodged with the Company, send to the transferee notice of refusal together with a copy of the relevant resolution of the Board declining the approval of the registration of such share transfer. If no such communication is made by the Board to the transferee within the two (2) month period as aforesaid it shall be deemed that there is no objection to the registration of the share transfer, which shall then become effective.

Provided that, in the cases contemplated in these Articles, where no restriction applies to the transfer of shares the Board may not decline to register such transfer.

33. The names, addresses of members and a statement of the shares held by each of them, the amount paid up, and the date at which each person became and ceased to be a member shall be entered in a register to be kept at the registered office of the Company and certificates of shares held by each shareholder shall be issued by the Board.
34. Where two or more persons hold one or more shares in the Company jointly, they shall be treated as a single member and the name of only one of such persons shall be entered in the register of members. Such person shall be elected by the joint holders and shall for all intents and purposes be deemed to be the holder of the shares so held.
35. No restriction on the transfer of shares shall apply where such transfers take place either *inter-vivos* or *causa mortis* to an ascendant or descendant of a transferring member or to the spouse of a member; or
36. No restriction on the transfer of shares shall apply where all shareholders unanimously approve, in writing, the proposed transfer.
37. Should any shareholder leave by way of legacy shares in usufruct then the voting rights on such shares shall be vested in the usufructuary.
38. A person becoming entitled to a share by reason of the death of the holder shall be entitled to the same 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 the meetings of the Company.

#### **FORFEITURE OR SURRENDER OF SHARES**

39. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, require payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued, by means of a notice which shall also name a further day (not earlier than the expiration of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment, at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
40. If the requirements specified in any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect, or otherwise be surrendered in favour of the Company by the member to whom the said notice is addressed, if the Board accepts such surrender.
41. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been

given and of the forfeiture with the date thereof, shall forthwith be made in the register of members relating to the share; but the provisions of this Article are directory only and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

42. A forfeited or a surrendered share may be sold or otherwise disposed of on such terms and in such manner as the Board deems fit, and the Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of, who shall thereupon be registered as the holder of the share. At any time before a sale or disposition the forfeiture or surrender may be cancelled on such terms as the Board deems fit.
43. A person whose shares have been forfeited or who has surrendered his shares to the Company shall cease to be a member in respect of the forfeited or surrendered shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of the forfeiture or surrender, were payable by him to the Company in respect of the shares; but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

#### **CONVERSION OF SHARES INTO STOCK**

44. The Company may by ordinary resolution convert any paid up shares into stock, and re-convert any stock into paid up shares of any denomination.
45. The holders of stock may transfer the same, or any part thereof, in the same manner and subject to the same regulations, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances permit; and the Board may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
46. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any amount of stock which would not, if existing in share, have conferred that privilege or advantage.
47. Such of the regulations of the Company as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

#### **OWN SHARES**

48. The Company is authorised to acquire its own shares and Securities subject to Article 106 of the Act.



49. The Company may not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with an acquisition or subscription made or to be made by any person of or for any shares in the Company or its parent company.
50. The Company is prohibited from accepting its own shares by way of pledge or other forms of security.
51. Shares in, debentures of or any other Securities issued by the Company may not be pledged by the holder in favour of any person as security for any obligation.

#### **ORDINARY AND EXTRAORDINARY RESOLUTIONS**

52. An ordinary resolution shall be passed by a member or members having the right to attend and vote holding in the aggregate shares entitling the holder/s thereof to more than fifty per cent (50%) in nominal value of the shares represented and entitled to vote at the meeting
53. A resolution shall be an extraordinary resolution where:

- (a) it has been taken at a general meeting of which notice specifying the intention to propose the text of the resolution as an extraordinary resolution and the principal purpose thereof has been duly given; and
- (b) it has been passed by a member or members having the right to attend and vote at the meeting holding in the aggregate not less than seventy-five per cent (75%) in nominal value of the shares represented and entitled to vote at the meeting and at least fifty-one per cent (51%), or such other higher percentage as the memorandum or articles may prescribe, in nominal value of all the shares entitled to vote at the meeting:

Provided that, if one of the aforesaid majorities is obtained, but not both, another meeting shall be convened within thirty (30) days in accordance with the provisions for the calling of meetings to take a fresh vote on the proposed resolution. At the second meeting the resolution may be passed by a member or members having the right to attend and vote at the meeting holding in the aggregate not less than seventy-five per cent (75%) in nominal value of the shares represented and entitled to vote at the meeting.

Provided further that, if more than half in nominal value of all the shares having the right to vote at the meeting is represented at that meeting, a simple majority in nominal value of such shares so represented shall suffice.

54. The Company shall not make deletions, amendments or additions to any of the provisions in the Articles of Association of the Company, unless prior written authorisation has been sought and obtained from the Exchange for such deletion, amendment or addition.
55. The Company shall ensure that any changes made to any of the provisions in the Memorandum and Articles of Association of the Company, or equivalent constitutional

documents are submitted for prior written approval by the Exchange and supported by an explanation thereon by the Company's appointed corporate advisor.

56. An extraordinary resolution shall be required for amendments, alterations and/or revocations of any of the provisions in the Memorandum and Articles of Association of the Company and any additions thereto, the authorisation of the Board to issue shares or to restrict or withdraw the right of pre-emption as regulated by these Articles, the conversion of shares, the reduction of capital as well as the dissolution of the Company.
57. A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at the general meetings of the Company shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Such a resolution in writing may consist of several instruments in the like form each executed by or on behalf of one or more members being entitled to receive notice of and to attend and vote at the general meetings of the Company as aforesaid.
58. Annual general meetings of the Company may be held in accordance with this Article.

Provided that a resolution in writing as aforesaid shall be void if it purports to remove a director or an auditor before the expiration of his term of office, or otherwise purports to deprive the auditors of the right granted to them by virtue of the provisions of Article 155 of the Act.

#### **GENERAL MEETINGS**

59. The Company shall hold a general meeting once in every year as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it.
60. All general meetings other than annual general meetings shall be extraordinary general meetings.
61. The Company shall hold a general meeting to obtain the consent of its members prior to entering into any agreement which is not considered to fall within the ordinary course of business and which exceeds the class tests thresholds referred to in the Prospects Rules.
62. Subject to the provisions of the Act, the general meetings shall be held at such time and place as the Board shall appoint: provided that all general meetings shall be held in Malta.
63. The Board may, whenever it may deem fit, convene an extraordinary general meeting.
64. The Board shall, on the requisition of a member or members of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid up share capital of the Company as at the date of the deposit carried the right of voting at general meetings of the Company, forthwith proceed duly to convene an extraordinary general meeting of the Company in accordance with the provisions of Article 129 of the Act.

65. If at any time there are not in Malta sufficient directors capable of acting to form a quorum, any director or any two members of the Company may convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board.

#### **NOTICE OF GENERAL MEETINGS**

66. A general meeting shall be deemed not to be duly convened unless at least fourteen (14) days' notice has been given in writing, wherein is stated the place, date and hour of the meeting and in case of special business, the general nature of that business. Such notice shall be accompanied by a statement regarding the effect and scope of any proposed resolution in respect of such extraordinary business.

Provided that a meeting of the Company shall notwithstanding that it is called by a shorter notice, be deemed to have been duly convened if it is so agreed by all the members entitled to attend and vote thereat.

The notice 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, and shall specify the place, the day and the hour of the meeting and, in the case of special business, the general nature of the business to be discussed.

67. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
68. Every member of the Company shall specify his address in Malta or elsewhere. The posting by the Company of a registered letter to that address will be deemed sufficient notice to him for all intents and purposes.
69. Notice of every general meeting shall be given in the manner hereinbefore authorised to:
- (a) every registered member except those members who, having no registered address in Malta, have not supplied to the Company an address in Malta for the giving of notices to them, irrespective of the letter by which the shares are denominated and the nature or extent of the rights otherwise attaching to the said shares;
  - (b) the Directors of the Company; and
  - (c) the auditor for the time being of the Company.

No other person shall be entitled to receive notices of general meetings.

#### **PROCEEDINGS AT GENERAL MEETINGS**

70. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of:

- (a) declaring a dividend; and
- (b) the consideration of the annual accounts and the reports of the directors and auditors; and
- (c) the election of directors in the place of those retiring; and
- (d) the appointment of and the fixing of the remuneration of the auditors.

71. No business shall be transacted at any general meeting unless a quorum of members is present when the meeting proceeds to business. The quorum necessary for the transaction of business at a general meeting shall be one or more members in person or by proxy holding not less than sixty per cent (60%) of the issued and paid up share capital of the Company carrying the right to attend and vote at general meetings of the Company at the date of the holding of the meeting.
72. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened by the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board 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 member or members present shall be a quorum provided they hold not less than forty per cent (40%) of the issued paid up shares of the Company.
73. Any member entitled to attend and vote at a meeting of the Company or at a meeting of any class of members of the Company shall be entitled to appoint another person, whether a member or not, as his proxy to attend and vote instead of him, and a proxy so appointed shall have the same rights as the member to speak at the meeting and to demand a poll.
74. The instrument appointing a proxy shall be in writing and shall be deposited at the registered office of the Company within forty eight (48) hours before the time for holding the meeting, at which the person named in the instrument proposes to vote.
75. In no case may a member of the Company appoint more than one proxy.
76. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances permit

***The Company***

*"I/We..... bearer of Identity Card / Passport / Registration Number\* ..... and residing at ..... being a member /members of the Company, hereby appoint ..... bearer of Identity Card / Passport / Registration Number\* ..... and residing at ..... or failing him ..... bearer of Identity Card / Passport / Registration Number\* ..... as my/our proxy to vote for me/us on my/our behalf at the (annual or extraordinary, as the case may be) general*

*meeting of the company, to be held on the ..... day of ..... 20...., and at any adjournment thereof.*

*Signed this ..... .. day of ..... 20 .....*

*This form is to be used in favour of /against \* the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit."*

*\*Strike out whichever is not desired.*

77. The Chairman shall preside as chairman at every general meeting of the Company, or if there is no such Chairman, or if he shall not be present within fifteen (15) minutes after the time appointed for the holding of the meeting or is unwilling to act, the directors present shall elect one of their number to be chairman of the meeting.
78. If at any meeting no director is willing to act as chairman or if no director is present, within fifteen (15) minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.
79. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the 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. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at such meeting.
80. 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:
  - (a) by the Chairman; or
  - (b) by at least three (3) members present in person or by proxy; or
  - (c) by any member or members present in person or by proxy and representing not less than one-tenth ( $\frac{1}{10}$ ) of the total voting rights of all the members having the right to vote at the meeting; or
  - (d) by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth ( $\frac{1}{10}$ ) of the total sum paid up on all the shares conferring that right.

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 the proceedings of the company 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:

Provided that where a resolution requires a particular majority in value, the resolution shall not be deemed to have been carried on a show of hands by the required majority unless there be present at that meeting, whether in person or by proxy, a number of members holding in the aggregate the required majority as aforesaid.

81. Except as provided in Article 80 of these Articles, 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.
82. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
83. 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.

#### **VOTES OF MEMBERS**

84. Subject to any rights or restrictions for the time being attached to any class or classes of shares, and unless otherwise provided in the terms of issue, on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder. On a poll votes may be given either personally or by proxy.
85. No member shall be entitled to vote at any general meeting unless all calls or other sums currently payable by him in respect of shares in the company have been paid.
86. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

#### **DIRECTORS**

87. Subject to the provisions of the Memorandum and Articles of Association of the Company, the directors of the Company shall be appointed by ordinary resolution of the Company in general meeting.
88. The directors of the company shall be natural persons, and no body corporate may be a director of the Company.
89. An election of Directors shall take place every year. All Directors, except a Managing Director, shall retire from office once at least in each three (3) years, but shall be eligible for re-election.

Provided that a general meeting must be convened giving those eligible to attend at least 14 days notice, to appoint the directors; and

Provided further that the holders of the ordinary shares opt to convene their meeting prior to the lapse of this period if it is expeditious and in the interest of the Company to appoint a director as soon as possible.

90. A person shall not be qualified for appointment or hold office as director of the Company, if:
- (i) He is interdicted or incapacitated or becomes of unsound mind; or
  - (ii) He becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (iii) He has been convicted of any of the crimes affecting public trust or theft or of fraud or knowingly receiving property obtained by theft or fraud, or any other crime which is punishable to imprisonment.
91. Any person appointed by the Directors to fill a casual vacancy or as an addition to the board will hold office only until the next following annual general meeting of the Company and will be eligible for re-election.
92. A Director is empowered to appoint another person in his stead as an alternate director by means of a written instrument and such person so appointed shall enjoy all the powers and rights of the said Director including the right to attend and vote at meetings of the Board of Directors. That alternate Director shall have a vote or votes in addition to his own vote, if any. Written instrument includes a telefax, telex or e-mail message.
93. A director may be removed before the expiration of his period of office by a resolution taken at a general meeting of the Company and passed by a member or members having the right to attend and vote, holding in the aggregate shares entitling the holder/s thereof to more than fifty per cent (50%) of the voting rights attached to shares represented and entitled to vote at the meeting.
94. The remuneration of the directors shall from time to time be determined by the Company in a general meeting, where notice of the proposed aggregate emoluments and any increase shall be given in the notice convening such general meeting. Such remuneration shall be deemed to accrue from day to day. The directors shall be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the Company or in connection with the business of the Company. Such expenses shall not be deemed to form part of the Directors' emoluments.
95. Subject to the provisions of Article 96, Directors' emoluments shall not exceed sixty thousand euro (€60,000) annually in the aggregate.
96. Provided that remuneration paid to any Director by virtue of his holding a salaried office

with the Company (whether permanent, temporary, direct or on secondment) shall not be deemed to form part of such Director's emoluments.

97. If any Director, being willing, shall be called upon to sit on any committee or working group of the Company or to perform other services related to the operations of the Company but which fall outside the scope of the ordinary duties of a director, the Company may remunerate such director, as may be determined by the Board of Directors, in addition to or in substitution of his remuneration as director, provided such payments fall within the limit of aggregate emoluments of Directors established by the General Meeting pursuant to these articles.
98. The Directors of the Company may hold such other office with the Company apart from the office of director, and be remunerated therefor, as the Directors may from time to time determine.
99. A director shall not be required to have a shareholding qualification, but this notwithstanding, a director who is not a Member shall be entitled to attend and speak at General Meetings of the Company.

#### **PROCEEDINGS OF DIRECTORS**

100. The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote. A director may, and the company secretary on the requisition of a director shall, at any time summon a meeting of the Board.

Without prejudice to the aforesaid, the Board may meet in any appropriate form or forum and including, without limitation, by means of telephone or video conferencing or by such other similar means of communication allowing, in either case, all the directors participating in the meeting to hear and speak to each other. Where meetings of the Board are held by telephone or video conference or by such other similar means of communication as aforesaid such that the Directors are not present together in the same place, the Chairman of the meeting shall, in such cases, first verify the identity of the participating directors, and shall make a record of such verification once he is satisfied of the identity thereof.

101. Saving the provisions of Article 100 of these Articles, a meeting of the Board shall be deemed not to be duly convened unless at least twenty four (24) hours' notice thereof has been given.
102. Provided that a meeting of the Board shall notwithstanding that it is called by a shorter notice or by no notice, be deemed to have been duly convened if it is so agreed by all the directors or alternate directors entitled to attend and vote thereat.
103. Every Director of the Board shall specify, where applicable, his telefax or telephone number and residential and email address in Malta.
104. The accidental omission to give notice of a meeting of the Board, or the non-receipt of



notice of a meeting of the Board by any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

105. No business shall be transacted at any meeting of the Board unless a quorum of directors is present when the meeting proceeds to business. The quorum necessary for the transaction of business shall be two (2) directors.
106. 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 the provisions of 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 of the Company, but for no other purpose.
107. A director may appoint any other person to act as his alternate to attend and vote for him in his absence at any meeting of the Board.
108. A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the directors, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held. Several distinct copies, including faxed copies, of a resolution signed by directors separately and received by the Company Secretary, shall be deemed to constitute a valid and effective resolution for the purpose of this Regulation.

#### **BORROWING POWERS**

109. The Company shall have the unlimited power to borrow money and to hypothecate or charge its undertaking, property and uncalled capital or any part thereof including as security for its obligations and to issue debentures, debenture stock and other securities whether outright or as security for its liabilities or obligations or for those of any third party. Such power shall be exercised by the Board of Directors.

#### **POWERS AND DUTIES OF DIRECTORS**

110. The business of the Company shall be managed by the Board which may exercise all such powers of the Company which are not required by the Act or by the Memorandum and Articles of Association of the Company, to be exercised by the Company in general meeting.
111. The Board shall exercise its powers subject to the provisions of these Articles, the provisions of the Act, and such regulations, being not inconsistent with the aforesaid Articles or provisions, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
112. The Board shall have power to appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such

attorney as the Board may deem fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

113. The Board shall have the power to remove the company secretary provided the Board shall appoint another individual in his stead within fourteen (14) days from the date of his removal.
114. It shall be the duty of any director of the Company who is in any way, whether directly or indirectly, interested in a contract or arrangement or any other proposal with the Company to declare the nature of his interest to the other directors either at the meeting of the Board at which the question of entering into the contract is first taken into consideration, or, if the director was not at the date of the meeting interested in the contract or proposed contract, at the next meeting of the Board held after he became so interested.
115. A director shall not vote at a meeting of the Board in respect of any contract or arrangement or any other proposal in which he is interested, and if he shall do so his vote shall not be counted, nor shall he be counted in the quorum present at the meeting, but neither of these prohibitions shall apply to:
  - i. any arrangement for giving any director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company, or
  - ii. any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
  - iii. any contract by a director to subscribe for or underwrite shares or debentures of the Company; or
  - iv. any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities,

and these prohibitions may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the Company in general meeting.

PROVIDED THAT a Director shall not vote on any matter whatsoever where his voting is precluded by the Prospects Rules.

116. The Board 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 make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.
117. The Board shall cause proper accounting records to be kept in accordance with Article 163 of the Act. The books of account shall be kept at the registered office of the Company

or at such other place or places as the Board may decide from time to time.

118. The Board shall prepare, for each accounting period, individual accounts comprising the balance sheet as at the last day of the accounting period to which they refer, the profit and loss account for that period, the notes to the accounts and any other financial statements which may be required under Chapter X of Title I of Part V of the Act. The Company's annual accounts shall be approved by the Board and the balance sheet shall be dated and signed on behalf of the Board by two (2) directors of the Company.
119. A copy of the annual accounts of the Company, including any Director's report shall, not less than fourteen (14) days before the date of the general meeting at which they are to be laid, be sent to every member and to every other person entitled to receive notice of the meeting.
120. In respect of each accounting period the Board shall lay before the Company in general meeting for its approval copies of the annual accounts of the Company for that period. There shall be annexed to the annual accounts, the auditors' report as specified in Article 179 of the Act and the directors' report as specified in Article 177 of the Act. Such annual accounts shall be laid and approved by the Company in general meeting within ten months after the end of the accounting reference period subject to the provisions of Article 182 of the Act.
121. Subject to the provisions of Article 180 of the Act, the Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the annual accounts and accounting records 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 such account or record or other document of the company except as conferred by law or authorised by the Board or by the Company in general meeting.

#### **DELEGATION OF DIRECTORS' POWERS**

122. The Board may from time to time appoint a managing director or a director or directors holding any other executive office or offices from amongst themselves delegating to him or them any of their powers.
123. Each such appointment shall be for such period and on such terms as the Board deems fit, and, subject to the terms of any agreement entered into in any particular case, the Board may revoke such appointment. Any such appointment shall be automatically determined if the director appointed ceases for any reason to be a director.
124. A managing director or director holding any other executive office shall receive such remuneration as the Board, subject to the approval of the Company in general meeting, may from time to time determine.
125. The Board may delegate to any managing director, or to any director holding any other executive office, any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw or vary any

of such powers.

126. The Board may also appoint a committee consisting of one or more persons selected from among themselves delegating to it any of their powers. Any such delegation may be made subject to any condition or requirement as the Board may impose and may be made either collaterally with or to the exclusion of their own powers, and the Board may from time to time revoke, withdraw, alter or vary all or any of such powers. Any such committee shall, subject to any of the said conditions or requirements, regulate its own proceedings, in so far as possible in like manner as if its meetings were meetings of the Board.

#### **AUDIT COMMITTEE**

127. The Company shall appoint an audit committee composed entirely of Directors and having three (3) members, one of whom shall be appointed to chair the audit committee. The majority of such members, including the chairman shall be non-executive directors, and the committee, shall be tasked, in the manner of the terms and reference accorded by the Board, to monitor certain activities of the Company in the manner and to the extent required by the Prospects Rules. Furthermore, the Company shall:
- i. Submit the terms of reference to the Exchange for review;
  - ii. Give notice to the Exchange of any intended changes to the composition of the membership of the audit committee, together with reasons therefor;
  - iii. Continue to satisfy its obligations in terms of the Prospects Rules until the audit committee is duly composed again;
  - iv. Ensure that another audit committee member is appointed within three (3) months, in accordance with the requirements of the Prospects Rules.

#### **MINUTES OF PROCEEDINGS**

128. The Company shall cause minutes of all proceedings of general meetings and all proceedings at meetings of the Board to be entered in books kept for that purpose.
129. The directors shall cause minutes to be made in books provided for the purpose:
- a) of all appointments of officers made by the Board;
  - b) of the names of the directors present at each meeting of the Board and of any committee of the Board;
  - c) of all resolutions and proceedings at all meetings of the Company, and of the Board, and of committees of Board.
130. Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.
131. The books containing the minutes of proceedings of any general meeting of the Company shall be kept at the registered office of the Company, and shall during business hours, subject to such reasonable restrictions as the Company may by these Articles or in general

meeting impose, be open to the inspection of any member of the Company without charge.

## **SECRETARY**

132. A document or proceeding requiring authentication by the Company may be signed by a director, the company secretary or other authorised officer of the Company.
133. Without prejudice to the provisions of the Act regulating the appointment and functions of the company secretary, the appointment or replacement of the company secretary and the conditions of holding office shall be determined by the directors. The company secretary shall be responsible for keeping:
- i. the minute book of general meetings of the Company; and
  - ii. the minute book of meetings of the Board; and
  - iii. the register of members; and
  - iv. the register of debentures; and
  - v. such other registers and records as the company secretary may be required to keep by the Board
  - vi. The company secretary shall:
  - vii. ensure that proper notices are given of all meetings; and
  - viii. ensure that all returns and other documents of the Company are prepared and delivered in accordance with the requirements of the Act.
134. Anything required or authorised to be done by or to the company secretary may, if the office is vacant, or if there is for any other reason no company secretary capable of acting, be done by or to any officer of the Company authorised generally or specifically in that behalf by the Board.

## **DIVIDENDS AND RESERVE**

135. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
136. The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company.
137. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments, other than shares of the Company, as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.
138. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid

on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

139. The Board may deduct from any dividend payable to any member all sums of money, if any, payable by him to the Company on account of calls or otherwise in relation to the shares of the company.
140. Any amount paid up in advance of calls on any share may carry interest but will not entitle the holder of the share to participate in respect of such amount in any dividend.

### **CAPITALISATION OF PROFITS**

141. The Company in general meeting may, upon the recommendation of the Board, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Board shall give effect to such resolution:
142. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares:
143. Provided further that the Board may in giving effect to such resolution make such provision by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions.

### **NOTICE**

144. Notices as required in terms of these Articles of Association, the Prospects Rules, and/or any other applicable law may be sent by registered mail, fax or electronic mail. Where notice is sent by registered mail, it shall be deemed to have been served (5) days following the date on which it was posted and in the case of notice sent by fax or electronic mail, on the day of transmission. In providing such service it shall be sufficient to prove that the notice was addressed properly and posted or transmitted to such fax or electronic mail address as may be notified by the members or directors of the Company.
145. A notice may be given to the joint holders of a share by giving notice to the holder of such share named in the register of Members.
146. The signature to any notice to be given by the Company may be written or printed.

## **WINDING-UP**

147. If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Act, divide amongst the members "in specie" or 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 such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the numbers of different classes of Members. The liquidator may, with like sanction, vest the whole or any part of such assets in trusts for the benefit of the beneficiaries of the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.
148. Provided where the company opts to enter voluntary liquidation in accordance with the provisions of these Articles and the Act, any fees payable to a liquidator tasked with dissolution and consequential winding-up of the Company shall be sanctioned by a resolution of the shareholders, either pursuant to an extraordinary general meeting or by resolution in writing.

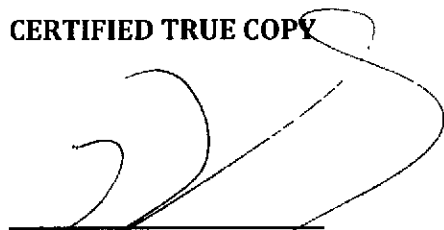
## **INDEMNITY**

149. Every managing director, director holding any other executive office or other director, and every agent, auditor or company secretary and in general any officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings in which judgement is given in his favour or in which he is acquitted.

## **MEETINGS BY VIDEO OR TELEPHONE**

150. A person is entitled to participate at a meeting of the Board or at any General Meeting by means of video conferences, telephone links or other similar means. In such instances, the chairman of the meeting shall sign on behalf of the person/s participating in such manner.

**CERTIFIED TRUE COPY**



**JOSEP DIMECH**

Director