

THE COMPANIES LAW (CAP.113)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

# **GLOBALTRANS INVESTMENT PLC**

## **INTERPRETATION**

1. In these Articles:

“Extraordinary resolution” unless otherwise provided by the Law, a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than three-fourths of such members as, being entitled so to do, vote in person or, where proxies are allowed, by proxy at general meetings of which notice specifying the intention to propose the resolution as an extraordinary resolution has been duly given.

"Law" means the Companies Law, Cap. 113 or any law substituting or amending the same.

“ordinary resolution” unless otherwise provided by the Law, a resolution shall be an ordinary resolution when it has been passed by a simple majority of such members as, being entitled so to do, vote in person or, where proxies are allowed, by proxy at general meetings.

"seal" means the common seal of the Company.

"secretary" means any person appointed to perform the duties of the secretary of the Company and includes an assistant secretary.

“special resolution” unless otherwise provided by the Law, a resolution shall be a special resolution when it has been passed by such a majority as is required for an extraordinary resolution and at a general meeting of which not less than twenty-one days’ notice, specifying the intention to propose the resolution as a special resolution has been duly given.

“person” means a natural and legal person.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Law or any

modification thereof in force at the date at which these Articles become binding on the Company.

The Regulations contained in Table "A" in the First Schedule to the Law shall not apply except so far as the same are repeated or contained in these Regulations.

2. Any branch or kind of business which the Memorandum of Association of the Company or the present Regulations expressly or impliedly authorise to be undertaken by the Company may be undertaken by the directors at such time or times as they may deem fit, and further, it may be left pending by the directors, whether this branch or kind of business shall have in fact commenced or not, so long as the directors would deem fit not to commence or to continue this branch or kind of business.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

3. 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, conversion into other shares in the Company or otherwise, as the Company may from time to time by ordinary resolution determine.
4. Subject to the provisions of Section 57 of the Law, 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 these shares may by special resolution determine.
5. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may, subject to the provisions of sections 59A and 70 of the Law, whether or not the Company is being wound up, be amended or abolished with the sanction of a resolution approved in accordance with the provisions of section 59A of the Law at a separate general meeting of the holders of the shares of that class.
6. The rights conferred upon the holders of the shares of any class shall not (unless otherwise provided by the terms of issue of the shares of that class) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
7. The Company may exercise the powers of paying commissions conferred by Section 52 of the Law, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the rate of the commission shall not exceed the rate of ten per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

8. Except as required by the Law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

Irrespective of the above but always subject to the provisions of Section 112 of the Law, the Company may if it so wishes and if it receives notice in writing in relation thereto recognise the existence of a trust on any share even if it cannot register it in the Register of Members of the Company. Such recognition is made known by letter to the trustees and may not be revoked so long as the trust continues to exist, even if the trustees or some of them are replaced.

9. Every person whose name is entered as a member in the Register of Members shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificates each for one or more of his shares upon payment of 20 cent for every certificate after the first or such less sum as the directors shall from time to time determine. Every certificate shall be under seal and shall specify the shares to which it relates and the amount paid up thereon. Provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders, shall be sufficient delivery to all such holders.
10. If a share certificate be defaced, lost or destroyed, it may be replaced with a new certificate on payment of a fee of 20 cent 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 of investigating evidence, as the directors think fit.
11. The Company shall not give, whether directly or indirectly, and whether by means of a loan or guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or for any shares in the Company or in its holding company, nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding company, but nothing in this Regulation shall prohibit transactions mentioned in the proviso to Section 53(1) of the Law.

## **LIEN**

12. The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person for all monies, which for any reason and for any cause are presently payable by him or his estate to the Company; but the directors

may at any time declare any share to be wholly or in part exempt from the provisions of this Regulation. The Company's lien, if any, on a share shall extend to all dividends payable thereon and to any capital or other monies which may at any time be payable by the Company to this person.

13. The Company may sell, in such manner as the directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.
14. To give effect to any such sale, the directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any probable irregularity or invalidity in the proceedings in reference to the sale.
15. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **ISSUE OF SHARES**

16. Unless otherwise determined by the Company in accordance with the provisions of section 60B. of the Law where the shares to be issued are to be issued for a cash consideration, any additional shares approved to be issued and all securities which may be converted into shares shall be offered to the members in proportion to the number of shares held by them and such offer shall be made by notice specifying the number of shares which each member may take and limiting the time within which the offer, if not accepted, will be deemed to have been declined, and after the expiration of such time, or on the receipt of a statement from the member to whom such notice was given that he declines to accept the shares offered, the directors may, distribute or otherwise dispose of the same to such persons and under such terms as they may think fit.

#### **CALLS ON SHARES**

17. The directors may from time to time make calls upon the members in respect of any moneys unpaid on the 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 dates, provided that no call shall exceed one-fourth of the nominal value of the share or shall be payable in less than one month from the date fixed for payment of the immediately preceding call and each member shall, (subject to receiving at least fourteen days' notice specifying the date or dates and place of payment) pay to the Company on the date or dates and at the place so

specified the amount called on his shares. A call may be revoked or postponed as the directors may determine.

18. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed and may provide for payment in instalments.
19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
20. 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 interest on the sum from the date appointed for payment thereof to the date of actual payment at such rate of interest not exceeding nine per cent per annum, as the directors may from time to time determine, but the directors shall be at liberty to waive payment of such interest wholly or in part.
21. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles 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 provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
22. The directors may not, on the issue of shares, differentiate between the holders of shares as to the number of calls, the amount to be paid on every call and the time of payment.
23. The directors may, if they think fit, 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 interest at such rate not exceeding (unless the Company in general meeting shall otherwise decide, subject to the provisions of any law in force for the time being) nine per cent per annum, as may be agreed upon between the directors and the member paying such sum in advance.

#### **TRANSFER OF SHARES**

24. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
25. The Company shall be entitled to charge a fee not exceeding 20 cent and which the directors may from time to time determine for the registration of every probate, letter of administration, certificate of death, power of attorney, or other instrument.

## **PLEDGE**

26. Any share may be pledged or given by a member as security for a loan, debt or obligation without the approval of the directors.

## **TRANSMISSION OF SHARES**

27. In the case of the death of a member, the survivor or survivors, where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons entitled to be recognised by the Company as having any title or interest in his shares; but nothing contained in this Regulation shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
28. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time be required by the directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.
29. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered as the holder of the share, he shall testify his election by executing to that person an instrument of transfer of the share.
30. A person becoming entitled to a share by reason of the death or bankruptcy 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 meetings or written resolutions of the members of the Company.

Provided always that the directors may at any time give notice requiring any such person to elect either to be registered himself as holder of the share or to transfer the share, and if the notice is not complied with within ninety days the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

## **FORFEITURE OF SHARES**

31. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the directors may at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
32. The notice shall name a further day (not earlier than the expiration of fourteen 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.

33. If the requirements of 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 directors to that effect.
34. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.
35. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of these shares, but his liability shall cease if and when the Company shall have received payment in full of all moneys due to the Company in respect of these shares.
36. A statutory declaration in writing that the declarant is a director or the secretary of the Company, and that a share in the capital of the Company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to have any right on the share. 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 and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
37. The provisions of these Articles as to forfeiture, shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

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

38. The Company may by ordinary resolution convert any fully paid-up shares into stock and reconvert any stock into fully paid-up shares of any nominal value.
39. 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 in a manner as near thereto as circumstances admit; the directors may from time to time fix the minimum amount of transferable stock in reserve but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

40. 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 holding an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
41. 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".

#### **ALTERATION OF CAPITAL**

42. The Company may from time to time by a resolution taken in accordance with the provisions of section 59A of the Law increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
43. The Company may by resolution taken in accordance with the provisions of section 59A of the Law:
  - (a) consolidate and divide all or any of its share capital into shares of a greater value than its existing shares;
  - (b) subdivide its existing shares, or any of them, into shares of a smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of section 60 (1) (d) of the Law;
  - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
44. The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in the manner and with, and subject to, any incident authorised, and consent required, by the Law.

#### **PURCHASE OF OWN SHARES**

45. Subject to the provisions of the Law, the Company may purchase its own shares (including any redeemable shares).

#### **GENERAL MEETINGS**

46. The Company shall in each year hold a general meeting 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, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that so long as the Company 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. The annual general meeting shall be held at such time and place as the directors shall appoint.

47. All general meetings other than the annual general meetings shall be called extraordinary general meetings.
48. The directors may, whenever they think fit, convene an extraordinary general meeting; extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by Section 126 of the Law. If at any time there are not in Cyprus 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 or in a manner as near as possible as that in which meetings may be convened by the directors.

### **NOTICE OF GENERAL MEETINGS**

49. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice at the least, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice at the least. 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 meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be described by the Company in general meeting, to such persons as are, under the Articles of the Company, entitled to receive such notices from the Company;

Provided that a general meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Regulation, be deemed to have been duly called if it is so agreed:

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
  - (b) 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 holding not less than 95 per cent in nominal value of the shares giving that right.
50. 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.

### **PROCEEDINGS AT GENERAL MEETINGS**

51. 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 declaring a dividend, 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, if any, and the appointment of, and the fixing of the remuneration of the auditors.

52. 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. Save as otherwise provided in these Articles, at least one member present in person or by proxy representing at least fifty per cent of the issued share capital of the Company shall be a quorum.
53. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the 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 directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
54. All notices and other communication relating to any general meeting which every member is entitled to receive must also be sent to the auditors of the Company.
55. The chairman, if any, of the board of directors 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 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.
56. If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.
57. 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 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 adjournment or of the business to be transacted at an adjourned meeting.
58. At any general meeting any 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 one member present in person or by proxy.

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.

The demand for a poll may be withdrawn.

59. Except as provided in Regulation 60, 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.
60. 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**

61. Subject to any rights or restrictions for the time being attached to any class or classes of shares, and subject to any special provisions of these Articles, on a show of hands every member present in person or by proxy shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.
62. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.
63. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by the administrator of his property, his committee, receiver, curator bonis, or other person in the nature of an administrator, committee, receiver or curator bonis appointed by the court, and any such administrator, committee, receiver, curator bonis or other person may, on a poll, vote by proxy.
64. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares he holds in the Company have been paid.
65. 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.
66. On a poll votes may be given either personally or by proxy.

67. Every member may appoint one or more proxies to be present at the same event on the condition however that such appointment must be made by a single instrument. Provided that the presence in an event of the person mentioned first on the instrument appointing a proxy shall preclude any other person mentioned therein from attending and so on.
68. 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 a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.
69. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company not later than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or shall be delivered at the place specified for this purpose in the notice convening the meeting in such manner and at such time as may be specified in such notice. In the case of a poll at a time other than the meeting at which a poll was demanded, the instrument appointing a proxy shall be deposited at the place specified for the taking of the poll at least fifteen minutes before the time appointed for the taking of the poll. Any instrument appointing a proxy which is not deposited or delivered in the manner and at the time specified in this Regulation or in accordance with the above provisions shall not be deemed to be valid.
70. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

".....Limited.

I/We,....., of .....  
 being a member/members of the above-named Company hereby appoint  
 ..... of ..... ,  
 or failing him ..... of ..... , as  
 my/our proxy to vote for me/us or on my/our behalf at the  
 annual\*/extraordinary\* (\*as the case may be) general meeting of the  
 Company, to be held on the ..... day of ..... 19...., and at any  
 adjournment thereof.

Signed this ..... day of ..... , 19.....".

71. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

".....Limited.

I/We,....., of .....  
 being a member/members of the above-named Company hereby appoint  
 ..... of ..... ,  
 or failing him ..... of ..... , as  
 my/our proxy to vote for me/us or on my/our behalf at the

annual\*/extraordinary\* (\*as the case may be) general meeting of the Company, to be held on the ..... day of ..... 19....., and at any adjournment thereof.

Signed this        day of        , 19        ".

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.

72. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll or to consent in convening a meeting on shorter notice as provided in Regulation 49 above.
73. 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 or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.
74. The chairman of a general meeting shall not have a second or casting vote.

#### **CORPORATIONS ACTING BY REPRESENTATIVES AT GENERAL MEETINGS**

75. Any corporation which is a member of the Company, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

#### **WRITTEN RESOLUTIONS BY MEMBERS**

76. Subject to the provisions of the Law, a resolution in writing signed or approved by letter, telegram, telefax, electronic mail or other means of transmission of written documents by all the members who are at a particular time entitled to receive notice of and to attend and vote at general meetings - or being corporations by their duly authorised representatives - shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. The signature of such members as mentioned above may be given on a single document or on several documents provided that such signature shall be given below the text of the resolution to be approved.

## **DIRECTORS**

77. The minimum number of the directors of the Company shall be two and there shall be no maximum number of directors.
78. Intentionally left blank
79. No person may be elected to the position of director at any general meeting unless he is recommended by the directors or unless a written notice, signed by a member of the Company entitled to attend and vote at the meeting of the Company for which such notice is given, of his intention to propose this person for election, together with a written notice signed by this person declaring his willingness to be elected, has been left at the registered office of the Company at least three and not more than twenty one days before the date appointed for the meeting.
80. The remuneration of the directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or in connection with the business of the Company.
81. A director need not be a registered holder of shares in the Company to be a director and in such a case he shall be entitled to receive notice of and attend all general meetings of the Company.
82. A director of the Company may be or become a director or other officer of, or otherwise interested in any company promoted by the Company or in which the Company is interested as a shareholder or otherwise, and no such director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise directs.

## **BORROWING POWERS**

83. (a) The directors may exercise all the powers of the Company to give guarantees, to borrow and to make or obtain monetary loans, in such a way and under such terms as may from time to time be considered appropriate and expedient and may charge or mortgage the whole or any part of the undertaking, movable and immovable property of the Company, present and future including its uncalled capital and to issue debentures, mortgage debentures, debenture stock, promissory notes, bonds and other securities payable to bearer or otherwise and whether they are irredeemable or redeemable or repayable and whether outright or as security for any debt, liability or obligation of the Company or of any third party.
  - (b) These debentures, mortgage debentures, debenture stock, promissory notes, bonds, or other securities may be issued at a discount, at a premium or otherwise and with such rights as to redemption, surrender, drawing, issue of shares or otherwise as the directors shall think fit and right.

## **POWERS AND DUTIES OF DIRECTORS**

84. The business of the Company shall be managed by the directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Law or by these Articles, required to be exercised by the Company in general meeting, subject, nevertheless, to any of these Articles, to the provisions of the Law and to the provisions of any regulations, not being inconsistent with these Articles or the provisions of the Law, 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 directors which would have been valid if that Regulation had not been made.
85. The directors may from time to time and at any time, by power of attorney, appoint any person, company, firm or body of persons, whether nominated directly or indirectly by the directors, to be the attorney (or attorneys) of the Company 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, and any such powers of attorney may contain such provisions for the protection or convenience of third persons dealing with any such attorney, as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
86. The Company may exercise the powers conferred by Section 36 of the Law with regard to having an official seal for use abroad and such powers shall be vested in the directors.
87. The Company may exercise the powers conferred upon the Company by Sections 114 to 117 (both inclusive) of the Law with regard to the keeping of a dominion register, and the directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit relating to the keeping of any such register.
88. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the directors in accordance with Section 191 of the Law.
89. No director may vote in respect of any contract or arrangement in which he is interested and if he does so his vote shall not be counted and he shall not be counted in the quorum at the meeting, but none of these restrictions shall apply in relation to:-
- (a) any arrangement for the provision to any director, of any security or guarantee in relation to money which he paid or obligations which he undertook in favour of the Company, or
  - (b) any arrangement for the provision by the Company of any security to third parties in relation to a liability or obligation of the Company for which the director himself assumed responsibility

whether wholly or in part pursuant to any guarantee or by the deposit of any security, or

- (c) any contract for the countersignature or subscription by any director in relation to shares or debentures of the Company, or
- (d) any contract or arrangement with any other company in which he is interested only as officer of the Company or as holder of shares or other securities,

and these restrictions may at any time be suspended or varied to any extent, only by the Company in general meeting.

- 90. A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director, for such period and on such terms (as to remuneration or otherwise) as the directors may determine and no director or intending director shall be disqualified by his office from contracting with the Company 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 Company 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 Company for this profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established.
- 91. Any director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorise a director or his firm to act as auditor to the Company.
- 92. All cheques, promissory notes, drafts, bills of exchange, or other negotiable instrument, and all receipts for moneys paid to the Company, 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.
- 93. The directors shall cause minutes to be made in books kept 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;
  - (c) of all resolutions and proceedings at all meetings of the Company, and of the directors, and of committees of directors; and every director who is present at any meeting of the directors or of any committee of director will sign his name in the book kept for the purpose.

94. The directors may grant retirement pensions or annuities or other bonuses or allowances, including allowances on death, to any person or the widow or dependents of any person in respect of services rendered by him to the Company whether as a director or managing director or in any other office or employment under the Company or indirectly as officer or employee of any dependent company of the Company, notwithstanding that he may have been a director of the Company and the Company may make payments towards insurance or trusts, for such purposes in respect of such person and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person without being prevented from granting such pensions, annuities or other bonuses or allowances, including allowances on death not as part of and notwithstanding the terms of any employment but on the retirement, resignation or death of any such person, as the directors may determine.
95. Each director shall have power at any time and from time to time by instrument signed by him, to appoint another director or any person, not being a director, to act instead of him and for any period as he may determine, as his alternate director and the alternate director while serving as an alternate director shall be entitled to attend and vote at any meeting of the directors and to have and exercise all the rights, powers and duties of the director who appointed him, provided always that the appointing director may at any time revoke the appointment of an alternate director and in the event of the death or incapacity of the appointing director or in the event of the appointing director for any reason ceasing to be a director, the appointment by him of any alternate director is forthwith terminated and of no effect.
96. If an alternate director is already a director of the Company, he shall have a separate vote as alternate director and he shall be counted separately for the purposes of constituting a quorum.
97. Any person acting as alternate director shall be considered to be an officer of the Company and will be personally liable to the Company for his acts and omissions and his remuneration shall be paid out of the remuneration of the director who has appointed him and shall constitute any part of such remuneration as the appointing director and his alternate may agree.

#### **DISQUALIFICATION OF DIRECTORS**

98. The office of director shall be vacated if the director:
  - (a) becomes bankrupt 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 180 of the Law; or
  - (c) becomes of unsound mind; or
  - (d) resigns his office by notice in writing to the Company; or

- (e) shall have been absent, for reasons which are not related to the business of the Company, for more than six months, from at least three consecutive meetings of the board of directors which were duly convened and held, without the permission of the board.

### **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 99. The Company may, from time to time by ordinary resolution, increase or reduce the number of directors.
- 100. Intentionally left blank
- 101. The Company may by ordinary resolution, of which special notice has been given in accordance with Section 136 of the Law, remove any director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company 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 Company.
- 102. The Company may by ordinary resolution, appoint another person in the position of the director removed from his office in accordance with the preceding Regulation and without prejudice to the powers of the directors under Regulation 100, the Company at a general meeting may appoint any person to be a director either to fill a casual vacancy or as an additional director and to determine the period for which such person is to hold office.

### **PROCEEDINGS OF DIRECTORS**

- 103. The directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the event of an equality of votes, the chairman shall not have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.
- 104. The quorum necessary for the dispatch of the business of the directors shall be at least one half of the total number of directors. Provided that so long as the Company, pursuant to the provisions of these Articles, has a sole director, a resolution in writing signed by such director in accordance with the provisions of Regulation 111 below, shall be regarded in every case as a decision of the directors approved at a meeting of the directors at which a quorum was present.
- 105. 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 minimum number of directors the continuing directors or director may act for the purpose of increasing the number of directors to such minimum or other greater number, but always within the limits set by these Articles, or of summoning a general meeting of the Company, but for no other purpose.

106. The directors may elect a chairman of their meetings and determine the period for which he is to hold office. If no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.
107. The directors may resolve to form committees consisting of such member or members of their body as they think fit and may delegate review and consideration of and supervision over the matters designated to the relevant committee (including without limitation the accounts, financial controls and governance controls and matters under the remit of the audit, nomination and remuneration committees) and providing advice to the board and/or shareholders in relation to such matters (but not any of their other powers) to committees. Any committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the directors.
108. A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.
109. Committees may meet and adjourn their meetings as think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the event of an equality of votes, the chairman of the meeting shall not have a second or casting vote.
110. All acts done by any meeting of the directors or of a committee of directors or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director or person acting as aforesaid, 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.

#### **WRITTEN AND TELECOMMUNICATION RESOLUTIONS OF THE DIRECTORS**

111. (a) A resolution in writing signed or approved by letter, telegram, telefax, electronic mail or by any other means of transmission of written documents by all the directors or their alternates, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held, and where a resolution is signed or approved in the above mentioned manner it may consist of several documents each signed, or approved as above by one or more of the persons aforesaid.
- (b) For the purposes of these Articles the simultaneous connection through telephone or other means of communication of a number of directors not fewer than the number necessary to constitute a quorum, even if one or more of these directors are outside Cyprus, shall be deemed to constitute a meeting of the directors

and all the provisions of these Articles relating to meetings of the directors shall apply to such meetings so long as the following conditions are complied with:

- (i) all the directors who at the particular time are entitled to receive notice of the meeting of the directors shall be entitled to receive notice of a meeting by means of a telephone or other means of communication and to be connected by telephone or other such means of communication for the purposes of such meeting. A notice for such meeting may be given by telephone or other means of communication;
- (ii) each director participating at the meeting must be able to hear each one of the other directors participating at the meeting;

and the minutes of the proceedings at such a meeting shall constitute sufficient evidence of such proceedings and the observance of all necessary formalities, if certified as true minutes by the chairman of the meeting or the secretary.

### **MANAGING DIRECTOR**

- 112. The directors may from time to time appoint one or more of their body to the office of managing director or managing directors for such period and on such terms as they think fit. Subject to the terms of any agreement entered into in any particular case the directors, may revoke such appointment. A director so appointed shall not be subject to retirement by rotation if at any time this applies in accordance with these Articles but his appointment shall be automatically determined if he ceases from any cause to be a director.
- 113. A managing director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the directors may from time to time determine.
- 114. The directors may from time to time entrust to and confer upon the managing directors all or any of the powers exercisable by them as they may think fit, but the exercise by a managing director of any powers shall be subject to any regulations and/or restrictions as the directors may from time to time determine or impose and such powers may at any time be withdrawn or varied.

### **SECRETARY**

- 115. The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit. The directors may, if they so wish, appoint one or more persons to act as assistant secretary.
- 116. No person shall be appointed or hold office as secretary who is:-

- (a) the sole director of the Company or
  - (b) a corporation the sole director of which is the sole director of the Company or
  - (c) the sole director of a corporation which is the sole director of the Company.
117. A provision of the Law or these Articles requiring or authorising a thing to be done by or with respect to a director or the secretary shall not be satisfied by its being done by or with respect to the same person acting both as director and as, or in place of, the secretary.

### **THE SEAL**

118. (a) The board of directors shall provide for the safe custody of the seal, which shall only be used by the authority of the board of directors or of a committee of the board of directors, and every instrument to which the seal shall be affixed shall be signed by one director or alternate director or by the secretary.
- (b) The Company may have an official seal, in addition to the seal mentioned above, which shall be in accordance with the provisions of Section 36(1) of the Law and shall be used for the purposes mentioned in this Section.

### **MEETINGS ABROAD**

119. Notwithstanding any provision of the Regulations applicable to the Company, the meetings of the directors and the general meetings of the Company (annual and extraordinary) may be convened and held in Cyprus or abroad, in any town or place as the majority of the directors or the members, as the case may be, may request in writing.

### **DIVIDENDS AND RESERVE**

120. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.
121. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company.
122. No dividend shall be paid otherwise than out of profits.
123. The directors may, 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 directors, be applicable for any purpose to which the profits of the Company may properly be 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

directors may from time to time think fit. The directors may also without placing the same to the reserve carry forward any profits which they may think prudent not to divide.

124. 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 Regulation 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 or in the event that a unanimous resolution of all the members of the Company so resolves, such share shall rank for dividend accordingly.
125. The directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company in relation to shares of the Company and may also deduct from such dividend any other sums presently payable by him (the member) to the Company for any purpose.
126. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets of the Company and in particular, but without prejudice to the generality of the above, by the distribution of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all members, and may vest any such specific assets in trustees as may seem expedient to the directors.
127. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by them as joint holders.
128. No dividend shall bear interest against the Company.

## **ACCOUNTS**

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

Proper books shall not be deemed to be kept by the Company if there are not kept such books of account as are necessary to give a true and fair view of the Company's financial state and to explain its transactions.

130. The books of account shall be kept at the registered office of the Company, or, subject to Section 141 (3) of the Law, at such other place or places as the directors think fit, and shall always be available to the directors for inspection.
131. The directors may from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Law or authorised by the directors or by the Company in general meeting.
132. The directors shall from time to time, in accordance with the provisions of the Law, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (where necessary) and reports as are referred to in the Law.
133. A copy of every balance sheet (including every document required by the law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors report shall, not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of the Company and to every person registered under Regulation 29. Provided that this Regulation shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures of the Company.

## **CAPITALISATION OF PROFITS**

134. The Company in general meeting may, upon the recommendation of the directors, 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, distributed and credited as fully paid up to and amongst the members in the proportion aforesaid, or partly in the one way and partly in the other, and the directors shall be bound to give effect to such resolution.

Provided that the share premium account and the capital redemption reserve fund may, for the purposes of this Regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

135. Whenever such a resolution as aforesaid shall have been passed, the directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, and the directors shall have full power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as they think fit in relation to shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and every agreement made under such authority shall be effective and binding on all such members.

### **AUDIT**

136. Auditors shall be appointed and their duties shall be regulated in accordance with Sections 153 to 156 (both inclusive) of the Law.

### **NOTICES**

137. A notice may be given by the Company to any member either by personal delivery or by sending it by post, telefax, electronic mail or other means of transmission of written documents to him or to his registered address, or (if he has no registered address in Cyprus) to the address, if any, in or outside Cyprus supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, stamping 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 72 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. Where the notice is sent by telefax or electronic mail, service of the notice shall be deemed to be effected by the transmission of the telefax or electronic mail to the correct address and to have been effected on the first business day after the date of such communication or transmission.

138. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register of Members in respect of the share.
139. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter or in any manner in which notice may be given pursuant to Regulation 137, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like descriptions, at the address, if any, in or outside Cyprus supplied for this purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
140. Notice of every general meeting shall be given in any manner herein before described to:-
- (a) every member except those members who (having no registered address in Cyprus) have not supplied to the Company an address within or outside Cyprus for the giving of notices to them;
  - (b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting; and
  - (c) the auditor for the time being of the Company.

Provided that the accidental omission to give notice to, or the non receipt of notice of a meeting by a person or persons entitled to receive notice shall not invalidate the business which shall, or which has been carried out at such meeting.

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

## **WINDING UP**

141. 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 Law, divide amongst the members in specie or 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 members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees, upon such trusts for the benefit of the contributories as 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.