

THE COMPANIES LAW CHAPTER 113
OF THE LAWS OF THE REPUBLIC OF CYPRUS

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
N-MINING LIMITED

2018

1 DEFINITIONS & INTERPRETATION

1.1 Unless the context otherwise requires:

Articles	means these articles of association as from time to time altered in accordance with section 12 of the Law being the regulations for the management of the Company under sections 8, 10 and 11 of the Law.
Auditors	means the auditors of the Company.
Board Meeting	means a meeting of the Board and Board Meetings shall be construed accordingly.
Board of Directors/Board	means either all the Directors, or a quorum of them, assembled at any place in accordance with the Articles.
Borrowing Powers	means the powers of the Company to borrow, raise money, give guarantee and to mortgage, charge (including fixed and floating) and encumber the undertaking, property, assets (fixed and current), rights, interests revenues and uncalled share capital, of the Company and to create or issue Debentures and other securities, whether as primary or collateral security for any debt, liability or obligation of the Company, any Subsidiary or any other Person, and to issue notes, bonds and other promises and obligations of the Company, either for cash or as consideration for the acquisition of any property (including interests and rights) other than cash.
Class/Special Right	means a preferred, deferred or other class or special right (if any) or restriction (if any), attached to, or carried by, a Share or otherwise conferred on the Holder of that Share, with regard to dividend, voting, return of capital (including redemption) or otherwise and Class/Special Rights shall be construed accordingly.
Company	means this company, namely N-MINING LIMITED .
Corporation	includes any company or other body corporate with or without limited liability incorporated in any part of the world.
Cyprus	means the Republic of Cyprus.
Days	means the days comprised in a period excluding the day on which the notice is sent and the day on which the notice is deemed given or served.
Debenture	means in relation to the Company, a “debenture” as defined in section 2 of the Law, and Debentures shall be construed accordingly.
Director	means a “director” as defined in section 2 of the Law, of the Company and Directors shall be construed accordingly.
Directors’ Power	means any of the powers authorities and discretions vested in, or conferred on, the Board of Directors by the Articles or otherwise exercisable by the Board under, or pursuant to, the Articles (including the powers under Regulation 14.2, the Disposing Powers and the Borrowing Powers) and Directors’ Powers shall be construed accordingly.
Directors’ Resolution	means a resolution in writing passed or sanction in accordance with Regulation 17.6.
Disposing Power	means the power of the Company to offer, allot, grant options over or grant any right or rights to subscribe for, shares or share of any class in the capital Company or convert Debentures into Shares or otherwise dispose of Unissued Shares or Proposed Shares at any time or times, to any Person or Persons, for any consideration or, subject to section 56 of

	the Law, no consideration and upon any terms and conditions and Disposing Powers shall be construed accordingly.
Dividend	means a dividend or an interim dividend and Dividends shall be construed accordingly.
Encumbrance	means a mortgage, pledge, lien (other than the Company's lien), charge (fixed or floating) or other security interest.
Extraordinary Resolution	means an "extraordinary resolution" as defined by section 135 of the Law.
General Meeting	means, subject to any Class/Special Rights (including rights or restrictions with regard to voting): <ul style="list-style-type: none"> (a) a general meeting of the Company (whether annual, ordinary or extraordinary); or (b) a separate meeting of the Holders of Shares of a class, as applicable, which is duly convened and constituted in accordance with the Articles.
Hands Vote	means a vote at a general meeting of the Company, or separate meeting of the Holders of Shares of a class, which is held on a show of hands.
Holder	means in relation to any Share, the Person registered in the Register as the holder of that Share, and Holder s shall be construed accordingly.
Interest	means an interest per annum at the rate of 5% or such other rate as the Board determines.
Joint Holder	means in relation to any Share, a Member who jointly holds that Share with another Member or Members and Joint Holder s means together each such Joint Holder.
Law	means the Companies Law, Chapter 113 of the laws of Cyprus.
Member	means a "member" as defined by section 27 of the Law, of the Company and Member s shall be construed accordingly;
Members' Resolution	means a resolution in writing passed or sanctioned in accordance with Regulation 11.12.
Office	means the registered office of the Company under section 102 of the Law.
Officer	means a Director or the Secretary and Officer s shall be construed accordingly.
Paid Up	means paid up or credited as paid up.
Person	includes an individual, a firm, a partnership, a Corporation or other person, group of persons or entity (whether or not incorporated) and Person s shall be construed accordingly.
Poll Vote	means a vote at a general meeting of the Company, or separate meeting of the Holders of Shares of a class, which is held on poll.
Private Company	means a "private company" as defined by section 29(1) of the Law.
Proposed Share	means an Unissued Share proposed to be issued and Proposed Share s shall be construed accordingly.
Proxy	means a representative (proxy) of a Member duly appointed and authorised in accordance with the Articles.
Register	means the register of Members required to be kept pursuant to section 105 of the Law.

Seal	means the common seal of the Company under sections 15 and 103 of the Law.
Secretary	means any Person appointed by the Board to perform, pursuant to section 171 of the Law, any of the duties of the secretary of the Company including a joint secretary, temporary secretary or assistant secretary.
Share	means a share or share of a class in the issued share capital of the Company and Shares shall be construed accordingly.
Special Resolution	means a “special resolution” as defined by section 135 of the Law.
Subsidiary	means a “subsidiary” as defined by section 148 of the Law, of the Company and Subsidiaries shall be construed accordingly.
Successor	means a Person or the Persons entitled to a Share or Shares (or an interest in the Share or Shares) in consequence of the death or bankruptcy of a Member or by operation of the law and Successor Share and Successor Shares shall be construed as the Share or Shares held or (as the case may be) jointly held by that Member and Successors shall be construed accordingly.
Transfer Notice	means the notice served by the Successor to the Company under Regulation 9.2.1.
Transfer	means an instrument of transfer of a Share or Shares under Regulation 8.1.
Unissued Share	means a share in the registered (authorised/nominal) but unissued share capital of the Company and Unissued Shares shall be construed accordingly.
Written / in writing	means in relation to any notice, notification or transmission, written or produced by any method of representing words in legible and permanent form including photocopy, “PDF”, printing or facsimile or other visual representation excluding electronic mail.

1.2 Unless the context otherwise requires, the Articles shall be read, interpreted and applied in accordance with the following principles of interpretation:

- 1.2.1 References to numbered Regulations relate to the numbered regulations or sub-regulations of the Articles.
- 1.2.2 References to a statute or statutory provision include references to that statute or statutory provision as amended or replaced from time to time.
- 1.2.3 Words and expressions importing the singular include the plural and vice-versa.
- 1.2.4 Words and expressions importing any gender include every gender.
- 1.2.5 Words and expressions defined in or by the Law shall (unless defined otherwise in the Articles) bear the same meaning in the Articles.
- 1.2.6 The text of this document was originally prepared and drafted for and sanctioned by the Members in the English language.

1.3 Without prejudice to Regulation 12.15, a Director or other similar officer of, or partner in, a Member not being an individual shall *prima facie* be deemed to be an authorised representative or agent of the Member with respect to any communications or dealings under or pursuant to the Articles between the Company and that Member provided that the Company has no actual notice or knowledge to the contrary.

2 PRIVATE COMPANY & EXCLUSION OF TABLE A

2.1 The Company is a Private Company and notwithstanding anything in the Articles it is, pursuant to section 29 of the Law, subject to the following restrictions:

- 2.1.1 The maximum number of Members (exclusive of Persons who are in the employment of the Company and of Persons who, having been formerly in the employment of the Company, were while in their employment Members, and have continued after the determination of their employment to be Members) is limited to 50. Joint Holders shall be treated, for the purposes of this restriction, as a single Member.
- 2.1.2 Any invitation to the public for subscription of shares in the capital of the Company or Debentures and any issue of Debentures to bearer or Share Warrants are prohibited.
- 2.2 The regulations contained in all Parts (Part I, Part II and Part III) of the Table A in the First Schedule to the Law do not apply to the Company.

3 SINGLE-MEMBER COMPANY

- 3.1 This Regulation 3 shall apply and take effect when and for so long as the Company is a single-member company.
- 3.2 The sole Member shall exercise all the powers given to, or exercisable by, the General Meeting under the Articles or the Law and:
 - 3.2.1 every decision passed, or resolution sanctioned, by the sole Member; and
 - 3.2.2 every written decision or resolution duly signed by, or on behalf of, the sole Member, shall, subject to Regulation 3.3, represent and constitute the decision or resolution of a duly held General Meeting.
- 3.3 A decision or resolution of the sole Member shall be, and shall be deemed to be, duly passed or sanctioned (respectively) by the sole Member if it is recorded in minutes signed by the sole Member or the Proxy. A written decision or resolution signed by, or on behalf of, the sole Member and delivered to the Company at the Office shall be valid and effectual as if the decision or resolution were, on the delivery date, duly passed or sanctioned (respectively) by the sole Member.
- 3.4 No contract, agreement or arrangement to which the Company and the sole Member and/or a Person or Persons connected with the sole Member are or intended to be a party or parties, shall create legal relations against, or be binding on, the Company except if:
 - 3.4.1 such contract, agreement or arrangement (as the case may be) is reduced to writing or the particulars thereof are expressed in writing, and it is duly signed or executed by or on behalf of the Company; or
 - 3.4.2 it is made at an arm's length in the Company's ordinary and proper course of trade or business.

In this Regulation 3.5 "connected" in relation to the sole Member means the Member's relative or affiliate and a "relative" means a spouse, child, grandchild, parent, brother or sister of an individual and an "affiliate" means a member or shareholder or director or other officer, as the case may be, of a Corporation or of that Corporation's holding company or subsidiary company or a subsidiary company of a Corporation's holding company.
- 3.5 The sole Member may at any time:
 - 3.5.1 convene by giving short notice, attend to and vote at, general meetings and meetings of Holders of Shares of a class; and
 - 3.5.2 call by giving reasonable notice and attend to the Board of Directors Meetings.

(in this Regulation 3.5, the **Relevant Meeting**) and an omission to give notice of a Relevant Meeting to, or the non-receipt of a notice of a Relevant Meeting by, any Person entitled to receive such notice or attend or vote shall not invalidate the proceedings at the meeting.
- 3.6 The required quorum for the transaction of business at any general meeting or meeting of the Holders of Shares of a class shall be the sole Member present in person or by Proxy and the sole Member or the Proxy shall constitute a quorum and a meeting.
- 3.7 Notwithstanding section 171(1) of the Law, the sole Director may NOT be the Secretary.

- 3.8 Subject to this Regulation 3 certain Regulations of these Articles - Regulations 6, 7 and 8 (but excluding Regulations 8.1 and 8.5) and Regulations 9 and 11 (but excluding Regulation 11.6), shall not apply and shall be deemed deleted from the Articles and shall not bind the Member, the Directors or the Company and Regulation 12 shall apply and take effect and be interpreted.

4 SHARE CAPITAL AND VARIATION OF SHARES

- 4.1 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 from time to time may by ordinary resolution determine.
- 4.2 Subject to the provisions of sub-clause 4.10.1 and 4.11 of these Regulations, the Shares shall be at the disposal of the Board of Directors who may issue, allot, distribute and generally dispose of them to such Persons at such time and under such terms, preconditions or restrictions as they may think fit.
- 4.3 The rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 4.4 Without prejudice to the Class/Special Rights conferred on the Holders, Unissued Shares:
- 4.4.1 May be issued as Shares carrying or conferring such Class/Special Rights as the General Meeting shall, with the sanction of an ordinary resolution, determine or authorize (in this Regulation 4.1, the **GM Resolution**); and
- 4.4.2 Shall, unless the GM Resolution provides otherwise, be at the disposal of the Board of Directors.
- 4.5 Notwithstanding Regulation 4.4, no Unissued Share or Proposed Share shall be issued as a Share liable to be redeemed by the Company (at the option of its Holder or the Company or otherwise) unless and until the terms and manner of redemption are provided in the Articles.
- 4.6 The Board of Directors may exercise the powers of paying commissions conferred by section 52 of the Law. Subject to section 52 of the Law such commissions may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or partly in one way and partly in the other.
- 4.7 No Person shall be recognized by the Company as the legal holder, or beneficial owner, of Shares upon any trust and (except as otherwise provided by the Articles, the Law) the Company shall not be bound by, or recognize, any beneficial or other equitable interest, or any contingent, future or partial interest, in Shares except the absolute right to the entirety of the Shares in their Holder and further (and without prejudice to the generality of the forgoing) no notice of any trust, expressed, implied or constructive shall, pursuant to section 112 of the Law, be entered on the Register.
- 4.8 The Class/Special Rights carried or conferred by the Shares of a class may, without prejudice to the rights of the Members under section 70 of the Law, be varied or abrogated with the CONSENT:
- 4.8.1 in writing of a Member or Members together, holding or representing Shares of that class which constitute or represent in aggregate at least three-fourths in Paid UP nominal capital on the total Shares of that class; or
- 4.8.2 of the General Meeting of the Holders of Shares of that class with the sanction of an Extraordinary Resolution,
- But not otherwise.
- 4.9 The Class/Special Rights carried or conferred by the Shares of any class:
- 4.9.1 Shall not be deemed, unless the Class/Special Rights or the terms of issue, of the Shares of that class expressly provide otherwise, to be varied or abrogated by the creation or issue of shares ranking *pari passu* with the Shares of that class; and
- 4.9.2 Shall be deemed to be varied or abrogated BY:

- 4.9.2.1 the reduction of the Paid-Up share capital on, or cancellation of, Shares of another or different class or classes otherwise than by redemption; or
 - 4.9.2.2 the creation or issue of shares in the Company:
 - 4.9.2.2.1 ranking in priority as regards the payment or distribution of a dividend (or interim dividend) or the return of capital; or
 - 4.9.2.2.2 carrying, or conferring, voting rights more favourable than the voting rights carried or conferred by the Shares of that class; or
 - 4.9.2.2.3 having a different nominal capital value than the nominal capital value of the Shares of that class; or
 - 4.9.2.3 the re-classification or re-designation of any Shares or Unissued Shares; or
 - 4.9.2.4 the consolidation and division or subdivision of any Shares or Unissued Shares.
- 4.10 Without prejudice to the Class/Special Rights conferred on the Holders, the Company may with the sanction of Member's resolution:
- 4.10.1 whenever it proceeds with the increase of capital, by ordinary resolution determine the method in which these new shares, or any of them, shall be provided at par, or at a premium or (subject to the provisions of Section 56 of the Law) at a discount; or
 - 4.10.2 designate (or re-designate) or classify (or re-classify) any Shares or any Unissued Shares which the Company has not allotted or agreed to allot; the resolution may determine the Class/Special Rights carried or conferred by the Shares or Unissued Shares so designated (re-designated) or classified (or re-classified); or
 - 4.10.3 consolidate and divide or subdivide, any Shares, or any Unissued Shares which the Company has not allotted or agreed to allot, into shares of different nominal capital value provided that the aggregate nominal capital value shall remain as fixed by the memorandum of association; the resolution may determine that, as between the shares resulting from the consolidation and division or subdivision, some of them may have different Class/Special Rights than others or otherwise be designated or classified (or re-designated or re-classified) into different classes; or
 - 4.10.4 reduce the registered (authorised/nominal) share capital of the Company by cancelling Unissued Shares, or decreasing the nominal capital value of Unissued Shares, which the Company has not allotted or agreed to allot.
- 4.11 Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of capital, according to the provisions of sub-clause 4.10.1, all unissued Shares (whether unissued shares within the limit of the already authorised share capital or new shares in consequence of the increase of the authorised share capital) shall, before issue, be offered to such Persons as at the date of the offer are entitled to receive notice from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares held by them. The offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to have been rejected, and after the expiration of that time, or on receipt of an intimation from the Person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company. Furthermore, the Board of Directors may so dispose of any new shares which, by reason of the ratio which the new shares bear to shares held by Persons entitled to an offer of new shares, cannot, in the opinion of the Directors, be conveniently offered under this Regulation.
- 4.12 The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.
- 4.13 Whenever as a result of a consolidation and division or subdivision of Shares any Members would become entitled to fractions of Shares, the Company may, on behalf of those Members, sell the Shares representing the fractions to any Person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion among those Members, and the Company may authorize some Person to execute an instrument of transfer of the Shares to, or in accordance with the directions of,

the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

- 4.14 Without prejudice to sections 55 and 57 of the Law, the General Meeting may with the sanction of a Special Resolution reduce the issued share capital (by cancelling Shares otherwise than by redemption or reducing the nominal capital value of the Shares), capital redemption reserve, share premium account or any capital reserve, of the Company.
- 4.15 The Company may, to the extent permitted by sections 53 and 57^A to 57^E (inclusive) of the Law and subject to them, acquire Shares (including redeemable preference Shares) not exceeding in aggregate 10% in nominal value of the entire issued share capital of the Company and be their absolute (or merely the beneficial) owner and the Company may make payments in respect of them out of its *divisible* profits or the proceeds of a fresh share issue.
- 4.16 The Company may, subject to the provisions of Section 53 of the Law, 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 a purchase or subscription made or to be made by any Person of or for any shares in the Company or in its holding Company and the Company may make a loan for any purpose whatsoever on the security of its shares or those of its holding Company.

5 SHARE CERTIFICATES

- 5.1 Notwithstanding section 78 of the Law, every Member, upon becoming a Holder shall be entitled without payment to one certificate for all the Shares (and one for all the Shares of each class) held by him (and, upon transferring part of his holding of Shares, to a certificate for the balance of such holding) or several certificates each for one or more of the Shares held by him. Every certificate shall be sealed with the Seal and shall specify the number, class and distinguishing numbers (if any) of the Shares to which it relates and the amount or respective amounts Paid Up on the Shares. The Company shall not be bound to issue more than one certificate for Shares held by Joint Holders and delivery of a certificate to one Joint Holder shall be a sufficient delivery to all of them in respect of those Shares.
- 5.2 Share certificates which are defaced, worn-out, lost or destroyed, may be reissued on such terms and conditions (if any) as the Board of Directors thinks fit.

6 LIEN ON SHARES

- 6.1 The Company has a first and paramount lien on:
- 6.1.1 every partly Paid Up Share for all money (whether presently payable or not) payable at a fixed time or called in respect of that Share; and
- 6.1.2 every Share (whether or not being fully Paid Up) for all the money (whether presently payable or not) owing to the Company by its Holder,

But the Board of Directors may at any time exempt wholly or in part any Share or Shares from this Regulation 6.1. The Company's lien on Shares extends to all dividends and other distributions payable by the Company in respect of them.

- 6.2 The Board of Directors may resolve to sell in such manner as it thinks fit every Share on which it has a lien if a sum in respect of which the lien exists is presently payable and has not been paid within 14 Days after notice has been given to its Holder or to the Successor of such Holder, demanding payment and stating that if the notice is not complied with, the Share may be sold.
- 6.3 To give effect to the sale referred to in Regulation 6.2, the Board of Directors may authorize one of the Directors to execute an instrument of transfer of each Share to be sold to, or in accordance with the directions of, the purchaser. The title of the transferee to each such Share shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale. The transferee shall be registered as the Holder of each Share comprised in the instrument of transfer (whether or not the share certificate in respect of the Share has been produced) and the transferee shall not be bound to see to the application of the purchase money.

- 6.4 The net proceeds of the said sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and the residue (if any) shall (upon receipt by the Company for cancellation of the relevant share certificate and subject to a like lien for any moneys or debts not presently payable as existed upon every Share before the sale) be paid to the Person entitled to such Share or Shares immediately prior to the sale.

7 CALLS ON SHARES AND FORFEITURE

- 7.1 Subject to the terms of allotment, the Board of Directors may make calls upon the Members in respect of any moneys unpaid on the Shares they hold (whether in respect of nominal capital value or premium) and each Member shall (subject to receiving at least 14 Days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his Shares. The Board of Directors may require the payment of a call by instalments. The Board of Directors may revoke a call in whole or in part before it receives any sum under the call and it may also postpone the payment of a call in whole or in part. The Persons to whom calls are made shall remain liable for the calls made to them notwithstanding the subsequent transfer of the Shares in respect to which the calls were made.
- 7.2 A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing the call was passed or sanctioned.
- 7.3 The Joint Holders shall be jointly and severally liable to pay all calls in respect of Shares jointly held by them.
- 7.4 A call which remains unpaid after it has become due and payable is subject to the Interest on the amount unpaid from the day it became payable until it is paid but the Board of Directors may waive payment of the Interest wholly or in part.
- 7.5 An amount in respect of one or more Shares payable on allotment or at any fixed date, whether in respect of nominal share capital value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid this Regulation 7 shall apply as if that amount had become due and payable by virtue of a call.
- 7.6 When a call remains unpaid after it has become due and payable the Company may give to the Person from whom it is due and payable not less than 7 Days' notice requiring payment of the unpaid amount together with the Interest which may have accrued. The notice shall specify the place where payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made shall be liable to be forfeited.
- 7.7 If the notice referred to in Regulation 7.6 is not complied with, the Shares in respect of which it was given may, before the payment required by the notice has been made, be forfeited and the forfeiture shall include all dividends and other distributions payable by the Company in respect of the forfeited Shares which were not made or paid before the forfeiture.
- 7.8 Forfeited Shares may be sold, transferred or otherwise disposed of on such terms and in such manner as the Board of Directors thinks fit either to the Person who was before the forfeiture the Holder or to any other Person and at any time before sale, transfer or other disposition, the forfeiture may be cancelled on such terms as the Board of Directors thinks fit. Where for the purposes of disposal forfeited Shares are to be transferred to any one or more Persons, the Board of Directors may authorize one of the Directors to execute instruments of transfer of Shares to those Persons.
- 7.9 Persons whose Shares have been forfeited shall cease to be Members in respect of those Shares and shall surrender to the Company for cancellation the certificates for the Shares forfeited but shall respectively remain liable to the Company for all moneys which at the date of forfeiture were presently payable by them to the Company in respect of those Shares together with the Interest accrued from the date of forfeiture until payment but the Company may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 7.10 A statutory declaration by a Director or the Secretary that Shares have been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all Persons claiming to be entitled to the Shares and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Shares and the Person to whom the Shares are disposed of shall not be

bound to see to the application of the consideration, if any, nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the Shares.

8 TRANSFER OF SHARES

- 8.1 A transfer of a Share or Shares shall be effected by a written instrument of transfer which shall, pursuant to section 73 of the Law, be either in any usual form or in any other form which the Board of Directors shall approve (the **Transfer**) and shall be executed by, or on behalf of, the transferor and by, or on behalf of, the transferee.
- 8.2 No Share shall be given by any Member as pledge or security for any loan, debt or obligation without a permit in writing first obtained from the Board of Directors and the Board of Directors shall refuse to register or recognize any pledge or security made in contravention of the provisions of this Regulation. Any pledge or security given or made in contravention of this Regulation shall be void as against the Company.
- 8.3 No Transfer shall be recognized by the Company, and the Company shall not register a Transfer, unless the Transfer relates to a single class of Shares and:
- 8.3.1 it is delivered to the Company at the Office (or such other place as the Board of Directors shall appoint) duly executed; and
 - 8.3.2 it is accompanied by the share certificate(s) in respect of each Share to which the Transfer relates or, in lieu of such certificate(s), an indemnity in favour of, and in terms previously approved by, the Board; and
 - 8.3.3 it is in favour of not more than four transferees; and
 - 8.3.4 in the case of a Share subject to an Encumbrance in respect of which the Company has actual or implied notice or knowledge, it is also accompanied by a statutory declaration by or for the transferor that the transferor is lawfully and unconditionally entitled to make the Transfer.
- 8.4 If the registration of a recognized Transfer is not expressly authorised or approved by the Board within 21 Days after the date on which the Transfer has been delivered to the Company under Regulation 8.2, the Transfer shall be deemed to be declined/refused.
- 8.5 Notwithstanding section 76 of the Law, if the registration of a recognized Transfer or of the transferee as Holder of the Shares under the Transfer, has been (or deemed to be) declined/refused, the Company shall send to the transferee notice of the decline/refusal. Such notice shall be accompanied by the Transfer (except in the case of known or suspected fraud) and shall be sent within 30 Days after the date on which the Transfer has been delivered to the Company under Regulation 8.2. However, failure to send the said notice shall not entitle the transferee to become a Holder of the Shares under the Transfer.
- 8.6 Except as hereinafter provided, no shares in the Company shall be transferred to a non-member unless and until the rights of pre-emption, hereinafter conferred shall have been exhausted.
- 8.6.1 Every Member who desires to transfer any Shares (hereinafter called "the Proposing Transferor") shall give to the Company notice in writing of such desire (hereinafter called "Transfer notice"). A Transfer notice shall necessarily mention the price which the Proposed Transferor determines to be the fair value, and this notice shall constitute the Company his agent for the sale of the shares to any Members who desire to purchase the offered shares (hereinafter called "the Buying Members") at the price determined as above, or if any one of the Buying Members so chooses, at the fair value so certified by the Auditor in accordance with sub-clause 8.6.5 below. A notice of transfer which has been given cannot be revoked unless by previous permission of the Board of Directors.
 - 8.6.2 Upon the price of the Shares offered for sale being fixed, as provided under this Regulation, the Company shall be obliged to give written notice to all its Members in which the number and price of the shares offered for sale shall be mentioned. In this notice, there shall also be an invitation by the Company for the Members to declare in writing within twenty-eight days of the notice whether they wish to purchase any of the shares offered for sale and in case of an answer in the affirmative, the maximum number of the shares they wish to purchase.

- 8.6.3. Upon the expiration of the said twenty-eight-day time limit, the Company shall allocate the shares offered for sale to the Members who have expressed their desire to purchase them according to the above provisions and in case there are more than one such Members, the Company shall allocate them *pro rata* as nearly as may be according to the number of Shares which they already hold. And in case any of the Buying Members express the desire to purchase fewer than the Shares allocated to them, but there are other Members who are willing to purchase the resulting difference, the Company shall make an appropriate re-allocation of the shares offered for sale among the Buying Members. Provided that no Member shall be obliged to take more than the maximum number of shares specified by him.
- 8.6.4 After the allocation of the shares by the Company as above, the Company shall be obliged to give notice of such allocation to the Proposing Transferor. He shall then be bound, upon payment to him of the fair value as determined in accordance with sub-clause 8.6.1 or 8.6.5 of this Regulation, to transfer the Shares to the Buying Members.
- 8.6.5 In case of difference between the Proposing Transferor and the Buying Members or any of them, as to the fair value of any Share, the Auditor, upon an application made by any one of the interested parties, shall certify in writing the price which in his opinion constitutes the fair value and the amount so determined shall be considered to be the fair value of the shares. The Auditor, in the exercise of such power, shall be deemed to be acting as an expert and not as an arbitrator, and consequently the provisions of the Arbitration Law, CAP.4 shall not apply.
- 8.6.6 In case the Proposing Transferor fails to transfer the Shares which he is bound by the above provisions to transfer, the Company shall proceed with the receipt of the sale price and the registration in the Register of Members of the names of the Buying Members as the persons entitled to the shares; the amount so received, shall be held by the Company as trustee for the proposing transferor and the receipt given by the Company for its receipt shall discharge the Members completely of their obligation to pay such price; and after the entry in the Register of Members of the names of the Members who bought shares under this Regulation, no dispute as to the validity of this procedure by any person shall be entertained.
- 8.6.7 In the event that the sale of all the shares offered for sale by the Proposing Transferor is not achieved as provided above, the Proposing Transferor shall be at liberty at any time during the three months following the expiry of the said period of twenty-eight days, subject to the provisions of Regulation 8.8, to sell and transfer any of his shares, not allocated, to any person at the prices, as was proposed to the Members under this Regulation 8.6.
- 8.6.8 Notwithstanding any of the above provisions of this paragraph, Shares may be freely transferred by a Member to the spouse, child or remoter issue, parent, brother, sister, son or brother in law, daughter or sister in law of that member or to a family company of the Member and the shares of a deceased Member may be transferred by his heirs or his personal representatives to the widow or widower, child or remoter issue, parent, brother, sister, son or brother in law, daughter or sister in law or family company of such deceased member. Shares may also be freely transferred if the Member transferring them secures and delivers to the Company the written consent of the other Members or their written declaration that they are not interested themselves in purchasing or acquiring the shares that the Member proposes to transfer.
- 8.6.9 Notwithstanding any provisions in these Regulations to the contrary, in the case of a transfer of Shares from a Member to a Member or from a Member to a person or persons to whom the transfer of shares is freely allowed pursuant to sub-clause 8.6.8 above, the approval of the transfer by the Directors of the Company shall be deemed to have been given and therefore the registration of such transfer will automatically be made without any resolution of the Directors of the Company being necessary.
- 8.7 Subject to the provisions of paragraph 8.6.6 above, no transfer of Shares shall be registered except upon the previous production to the Company of a valid instrument of transfer which ought to be accompanied by the Share certificate of the Shares transferred as well as by such other evidence as the Board of Directors may demand as proof of the transferor's right to transfer such Shares.

- 8.8 In addition to any right of the Board of Directors to refuse registering any Share, they may also refuse to recognize any instrument of transfer if:
- 8.8.1 the fee which the Board of Directors may from time to time determine is not paid to the Company in respect thereof;
 - 8.8.2 the instrument of transfer is not accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
 - 8.8.3 the instrument of transfer is in respect of more than one class of shares.
- If the Board of Directors refuse to register a transfer they shall within two months from the date on which the transfer was lodged with the Company, send to the transferee notice of their refusal.
- 8.9 The Board of Directors shall have the right to retain a Transfer which is registered and shall not charge any fee for its registration or any other registration relating to, or affecting, the title to any Share(s).
- 8.10 The Board of Directors may, subject to section 110 of the Law, suspend the registration of transfers of Shares as occasion require provided that the aggregate period of suspension does not exceed 30 days in any calendar year.
- 8.11 A transfer or purported transfer, of a Share (including a Successor Share) made otherwise than as provided in the Articles shall be void, invalid and otherwise of no effect as against the Company and the Directors.

9 TRANSMISSION OF SHARES

- 9.1 If a Member dies:
- 9.1.1 the survivors or sole survivor if the deceased Member is a Joint Holder; and
 - 9.1.2 subject to section 80 of the Law, the legal personal representatives of the deceased Member if the deceased Member is a single Holder,
- and the trustee in bankruptcy of a bankrupt Member, shall be the only Persons recognized by the Board of Directors as having title to the interest of the deceased or bankrupt Holder or Joint Holder in the Successor Shares.
- 9.2 The Successor may, upon such evidence being produced to the Company as the Board of Director may (subject to section 80 of the Law) properly require:
- 9.2.1 become the Holder (or Joint Holder) of the Successor Share, by a notice in writing served on the Company at the Office (the **Transfer Notice**); or
 - 9.2.2 transfer the Successor Share (or, in the case of Joint Holders, the interest in the Successor Share) to any Person, by a Transfer,
- and Regulation 8 shall apply and take effect mutatis mutandis to the Transfer Notice, the Transfer and the Successor, and the Company shall have the same right to refuse or suspend the registration of the Transfer Notice, the Transfer or otherwise the transferee as the Holder of the Successor Share as the Company would have had in the case of a Member transferring or proposing to transfer the Share and the death or bankruptcy of such Member had not occurred.
- 9.3 The Successor shall have the same rights of the Holder of the Successor Share except that the Successor shall not, before being actually registered as the Holder of the Successor Share, be entitled in respect of such Share to attend and vote at the general meetings of the Company or separate meetings of the Holders of Shares of the same class as the Successor Share.

10 GENETAL MEETINGS. NOTICES

- 10.1 Every general meeting which is not, under section 125 of the Law, the so called “**Annual General Meeting**” shall be called an “**Extraordinary General Meeting**”.

- 10.2 The Board of Directors or any Director may at any time convene a general meeting and notwithstanding section 126 of the Law, the Board shall convene a general meeting upon the requisition in writing of any Member or Members who have the right to attend or vote thereat. Any such requisition shall express the object of the meeting and shall be delivered to the Company.
- 10.3 If the Board of Directors shall not proceed to convene a general meeting within 21 days from receipt by the Company of the requisition under Regulation 10.2 any Member or Members may by notice convene a general meeting to be held at any convenient place and at such time as the Member or Members convening the meeting shall determine. The Regulations relating to the giving of notices convening general meetings shall apply *mutatis mutandis* to such notice.
- 10.4 Every extraordinary general meeting for sanctioning a Special Resolution and every annual general meeting shall be convened by at least 21 Days' notice. All other general meetings shall be convened by at least 14 Days' notice. Notwithstanding the foregoing (but without prejudice to section 127 of the Law) any general meeting may be convened by shorter notice than the specified if it is so agreed by all the Members who have the right to attend and vote at the general meeting.
- 10.5 Every notice convening a general meeting shall specify where and when the meeting shall take place and the general nature of the business to be transacted thereat and in the case of an annual general meeting it shall specify the meeting as the "**Annual General Meeting**". The notice shall also refer to the right of any Member entitled to attend and vote at the general meeting to appoint, pursuant to section 130 of the Law, a Proxy who need not be a Member to attend and vote in his place.
- 10.6 Subject to the Class/Special Rights, notice convening a general meeting shall be given to every Member entitled to attend and vote at the meeting and to every Director and, to the extent required under sections 153 and 154 of the Law, such notice shall also be given to the Auditors.
- 10.7 An omission to give notice convening a general meeting to any Person entitled to receive the notice shall (except in the case of the Auditor) invalidate the proceedings at the meeting but the non-receipt by such Person of the said notice shall not invalidate such proceedings.

11 PROCEEDINGS AT GENERAL MEETINGS

- 11.1 All business transacted at a general meeting shall be deemed special business with the exception of:
 - 11.1.1 the declaration of dividends;
 - 11.1.2 the reports of the Directors and of the Auditors;
 - 11.1.3 the consideration of the financial statements (including any documents annexed to the financial statements);
 - 11.1.4 the appointment of Directors (and re-appointment of retiring Directors);
 - 11.1.5 the appointment of Auditors (and re-appointment of retiring Auditors); and
 - 11.1.6 the fixing of the remuneration of the Directors and the Auditors,transacted at an annual general meeting.
- 11.2 No business shall be transacted at any general meeting unless a quorum is present. At least two Members present in person or by Proxy holding or representing Shares which constitute or represent in aggregate over one half in Paid Up nominal capital on the total the Shares carrying or conferring the right to vote upon the business to be transacted at the meeting, shall constitute a quorum.
- 11.3 If a quorum is not present within half an hour from the time appointed for holding a general meeting, or if during a General Meeting a quorum ceases to be present, the meeting shall dissolve if it was convened (under Regulation 10.3) by, or on the requisition (under Regulation 10.2) of, a Member or Members and in any other case, it shall stand adjourned to the same day the following week at the same time and place or as the Chairperson GM shall otherwise determine. If at an adjourned general meeting, a quorum is not present within half an hour from the time appointed for holding the meeting, the Member or Members present (in person or by Proxy) and entitled to vote, shall (and shall be deemed to) constitute a quorum and a meeting.

- 11.4 The Chairperson (if any appointed) shall preside at every general meeting he attends. If no Chairperson is duly appointed or if the Chairperson is not present at the general meeting within a quarter of an hour from the time appointed for holding the meeting or if he is not willing to preside at the meeting, the Directors present may appoint any Director present and willing to act, to preside at the meeting.
- 11.5 If at a general meeting no Director is willing to preside at the meeting or if no Director is present at the meeting within quarter of an hour from the time appointed for holding the meeting, the Members present may choose any Member or Proxy (in case of a Corporation, its director or equivalent officer) present and willing to act, to preside at the meeting and if no Member or Proxy is willing to act as such or if no such Person is appointed to preside at the meeting, the meeting shall dissolve.
- 11.6 Every Director whether a Member or not, is entitled to attend and speak at every general meeting.
- 11.7 The Chairperson GM may, with the consent of the majority (in number) of the Members present (in person or by Proxy) at the meeting, adjourn the meeting for another date and place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned under this Regulation 11.7, notice of the adjourned meeting shall be given as in the case of convening a general meeting.
- 11.8 Every resolution put to the vote of general meeting shall be decided on a Hands Vote unless a Poll Vote is demanded (before, or immediately after, the declaration of the result of the Hands Vote) by any Member present in person or by Proxy and entitled to vote or by the Chairperson GM.
- 11.9 Unless a Poll Vote is duly demanded:
- 11.9.1 a declaration by the Chairperson GM that a resolution is on a Hands Vote carried or carried unanimously or by a particular majority, or lost; and
- 11.9.2 an entry to that effect in the book containing the minutes of the proceedings of the general meeting,
- shall together constitute conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 11.10 The demand for Poll Vote may, before the declaration of its result, be withdrawn but only with the consent of the Chairperson GM. A demand so withdrawn shall not invalidate the result of a Hands Vote declared before the demand for Poll Vote was made. The result of a Poll Vote shall, without prejudice to section 138 of the Law, be deemed declared on the date which the Poll Vote was held.
- 11.11 A Poll Vote shall be taken immediately after it is duly demanded. If prior to the declaration of the result of a Hands Vote a Poll Vote is demanded but duly withdrawn the general meeting shall continue as if the demand was not made.
- 11.12 Subject to the Class/Special Rights, the Regulations relating to the general meetings of the Company, the giving of notices convening such meetings and the proceedings of such meetings shall apply, *mutatis mutandis*, to every separate meeting of the Holders of Shares of a class except that any Member or Members together (present in person or by Proxy) holding or representing Shares of the class which in aggregate constitute or represent at least one-third in Paid Up nominal capital on the Shares of the class, shall constitute a quorum and a meeting.

12 VOTE OF MEMBERS

- 12.1 A resolution in writing duly signed by or behalf of every Holder of Shares carrying or conferring the right to the vote on the resolution at a general meeting of the Company, or separate meeting of the Holders of Shares of a class, shall be as valid and effectual as if the resolution has been passed or sanctioned unanimously at a General Meeting duly held. Any such resolution may consist of one or several documents each duly signed by or behalf of a Member or Members. The resolution shall take effect as passed or sanctioned the date on which the resolution has been delivered to the Company at the Office duly signed as aforesaid. The certificate of the Secretary or a Director as to the date on which the resolution takes effect and that the resolution has been duly received by the Company, shall in the absence of fraud or manifest error, be conclusive evidence of the fact.

- 12.2 If for any purpose an ordinary resolution is required, a Special Resolution or an Extraordinary Resolution shall be as effective and if an Extraordinary Resolution is so required, a Special Resolution shall be as effective.
- 12.3 Notwithstanding section 132 of the Law, a Member entitled to more than one vote need not use or cast all the votes in the same way.
- 12.4 Subject to the Class/Special Rights on a Hands Vote every Member present in person or by Proxy and entitled to vote shall have one vote and, on a Poll, vote every such Member shall have one vote for each Share held by that Member.
- 12.5 In the case of Joint Holders the vote of the most senior who casts a vote whether in person or by Proxy shall be accepted to the exclusion of the votes cast by the other Joint Holders; and seniority shall be determined by the order in which the names of the Joint Holders present at the general meeting, first appear in the Register.
- 12.6 A Member in respect of whom an order has been made by any competent court or authority (whether in Cyprus or elsewhere) in matters concerning mental disorder may vote, whether on a Hands Vote or on a Poll Vote, by his receiver, *curator bonis* or other Person authorised and appointed for that purpose by the said court or authority, and the receiver, *curator bonis* or the other Person may vote by Proxy. Evidence of the authority of the Person claiming to exercise the right to vote shall be deposited with the Company at the Office between 24 and 72 hours before the time appointed for holding the general meeting (or adjourned meeting) at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 12.7 No Member shall have a right to vote either in person or by Proxy in respect of any Share or Shares held by the Member (and if the Member will vote, the vote or votes shall not count or be valid) unless all money or other payments presently payable to the Company in respect of calls on the Share or Shares have been paid.
- 12.8 No objection as to the qualification of any voter to attend and/or vote at a general meeting shall be raised except at the general meeting at which the said voter shall be present and every vote which is not disallowed at the meeting shall be valid. Every objection made in due time shall be referred to the Chairperson GM whose decision shall be final and conclusive.
- 12.9 A Member may appoint one Proxy to attend and vote at any general meeting or separate meeting of the Holders of Shares of a class. A Proxy may not be a Member and the appointment of a Proxy does not preclude the Member from attending and voting at the meeting.
- 12.10 The Company shall send an instrument of proxy to every Member entitled to receive the notice convening, and to attend and vote at, a general meeting or separate meeting of the Holders of Shares of a class. The instrument of proxy shall:
- 12.10.1 enable the Member to vote for, or against, each resolution to be proposed at the meeting;
- 12.10.2 enable the Member to appoint as proxy, an individual of his own choice; and
- 12.10.3 state that, if the instrument does not indicate how the proxy is to vote, the proxy may exercise his right at his discretion.
- 12.11 An instrument appointing a proxy shall be:
- 12.11.1 in writing in any usual or common form, or any other form approved by the Board; and
- 12.11.2 executed by the Person appointing the proxy or on that Person's behalf, by an officer (if Corporation) or agent or attorney, duly authorised in writing.
- Also, such appointment shall be deemed to confer, subject to anything to the contrary in the instrument, authority to vote on a resolution or amendment of a resolution put to the meeting for which the authority is given, as the proxy thinks fit and unless the instrument expressly provides otherwise, it shall be valid for an adjourned meeting.
- 12.12 The instrument of proxy and any authority under which it is executed, or a copy of the authority, certified in a manner approved by the Board, may be deposited or delivered at the Office, or such other place as is specified in the notice convening the meeting or in any instrument of proxy sent out in respect of the meeting, between 24 hours and 72 hours before the time appointed for holding the

meeting or adjourned meeting at which the proxy is to attend. An instrument appointing a proxy which is not deposited or delivered in the manner permitted by this Regulation 12.12, shall be invalid and otherwise it shall not be recognized by the Company.

- 12.13 If two or more valid but differing instruments are deposited with, or delivered to, the Company in respect of the same Share for use at the same meeting, the one which is deposited or delivered last shall be treated as replacing the others in respect of that Share. If the Board of Directors cannot readily determine to its satisfaction which is deposited or delivered last, none of them shall be recognized by the Company, or treated as valid, in respect of that Share.
- 12.14 A vote cast or Poll Vote demanded by a Person acting as Proxy shall be valid notwithstanding whether or not the appointment as Proxy has previously been revoked or terminated unless the Company is promptly notified in writing of the said revocation or termination, prior to the said vote being cast or to the said Poll Vote being demanded.
- 12.15 Notwithstanding section 133 of the Law, a Corporation which is a Member or a Proxy may by a resolution of its board of directors, management board or other governing body, as the case may be, authorize any individual to act as its representative at a general meeting or separate meeting of Holders of Shares of a class and the person so authorised shall be entitled to exercise on behalf of the Corporation the same powers that the Member or Proxy could exercise if it were itself an individual.

13 DIRECTORS AND SECRETARY. APPOINTMENT, REMOVAL, DISQUALIFICATION

- 13.1 The minimum number of Directors is (notwithstanding section 170 of the Law) one Director and, unless otherwise determined by the General Meeting with the sanction of an ordinary resolution, the maximum number of Directors is not restricted. The General Meeting may at any time with the sanction of an ordinary resolution increase or decrease the maximum number of Directors so determined.
- 13.2 The General Meeting may with the sanction of an ordinary resolution:
 - 13.2.1 Appoint any Person (willing to act) to the office of Director either to fill a vacancy or as an additional Director provided that no appointment shall cause the number of the Directors to exceed the maximum number permitted under or pursuant to Regulation 13.1; and
 - 13.2.2 Remove any Director from office.
- 13.3 A Member, or Members together, holding or representing Shares which in aggregate constitute or represent over 50% in Paid Up nominal capital on the total Shares carrying or conferring the right to vote on a resolution or proposed resolution for the appointment or removal of a Director under Regulation 13.2, shall have the right at any time by notice in writing served on the Company at the Office:
 - 13.3.1 to appoint any Person (willing to act) to the office of Director either to fill a vacancy or as an additional Director provided that no appointment shall cause the number of the Directors to exceed the maximum number permitted under or pursuant to Regulation 13.1; or
 - 13.3.2 remove any Director from office.

The notice under this Regulation 13.3 shall be signed by or on behalf of the relevant Member or Members (as applicable) and in the case of an appointment, the notice shall be accompanied by a written confirmation of willingness to act signed by the Director so appointed.

- 13.4 Notwithstanding Regulations 13.2 and 13.3, the Board of Directors may at any time appoint any Person (willing to act) to the office of Director either to fill a vacancy or as an additional Director provided that no appointment shall cause the number of the Directors to exceed the maximum number permitted under Regulation 13.1. Every Director appointed under or pursuant to this Regulation 13.4 shall hold office only until the next following annual general meeting at which he (if willing to act) may be appointed under Regulation 13.2 and if not, he shall remain in office until, and shall retire from office at, the conclusion of the meeting.
- 13.5 The office of Director shall be vacated if the Person who holds it:

- 13.5.1 becomes prohibited by law (including section 180 of the Law) from being a director or other officer of a company or this Company; or
- 13.5.2 becomes bankrupt or makes any arrangement or composition with his creditors generally or in the case of Corporation is under examinership, administration or voluntary or involuntary winding up; or
- 13.5.3 becomes of unsound mind or patient for any purpose of a statute relating to mental health and the Board of Directors resolves that his office be vacated; or
- 13.5.4 resigns from office by notice delivered to the Company at the Office or tendered at a Board Meeting,

And a resolution of the Board declaring that a Director has vacated office under this Regulation 13.5, shall be conclusive as to the fact and as to the ground of vacation as stated in the resolution.

- 13.6 Subject to sections 171 and 172 of the Law, the Secretary (or each Secretary of more than one) shall be appointed by the Board of Directors for such term, at such remuneration and upon such terms and conditions as the Board thinks fit; and any Secretary so appointed may at any time (without prejudice to any claim for damages he may have for breach of contract by the Company) be removed by the Board.

14 POWER OF DIRECTORS. MANAGING (EXECUTIVE) DIRECTOR

- 14.1 No Officer nor any other Person shall have any authority (whether express or implied or ostensible) to enter into any agreement or arrangement or sign or execute any instrument or document, on behalf of the Company or otherwise bind the Company in any way unless or until expressly authorised by a resolution of the Board of Directors.
- 14.2 Subject to the provisions of the Law, the memorandum of association of the Company, the Articles and to resolutions of the General Meeting, the business and affairs of the Company shall be managed and administered by the Board of Directors which may exercise all the powers of the Company (including for avoidance of doubt, the Borrowing Powers and Disposing Powers). The powers under this Regulation 14.2 shall not be limited by any special power vested in or conferred on the Board or any Director or Directors, by the Articles and the Board may exercise the Directors' Powers at a Board Meeting or by a Directors' Resolution.
- 14.3 Without prejudice to the generality of Regulation 14.2, the Board of Directors may:
 - 14.3.1 Appoint by a power of attorney under the Seal and signed by the one of the Directors or two Directors or a Director and the Secretary, any Person as attorney or agent of the Company for any purposes and with any powers (not exceeding the Director's Powers) including the power to sub-delegate and revoke or terminate any such appointment.
 - 14.3.2 at any time and from time to time appoint one or more of their body to the office of Managing (Executive) Director or Managing Directors or any other person or persons to the office of Manager or Managers for such a period and under such terms as they may think fit. The appointment of a Director as a Managing Director, shall be subject to determination *ipso facto* if he ceases for any cause to be a Director or, subject to the terms of any agreement he may enter into with the Company, if the Company at a general meeting resolves that his tenure of the office of a Managing Director be determined.
- 14.4 The Board of Directors may from time to time entrust to and confer upon the Managing (Executive) Director all or any of the powers of the Board of Directors as they may think fit, but the exercise of any of the powers by one Managing (Executive) Director shall be subject to such regulations and/or restrictions and/or limits as the Board of Directors may from time to time make or impose, and the said powers may at any time be revoked or varied.
- 14.5 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, 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, pursuant to section 34 of the Law, the Board of Directors determines and in the absence of such determination, by one of the Directors.

- 14.6 No alteration of the memorandum of association or the Articles and no resolution of the General Meeting shall invalidate any prior act of the Board of Directors which would have been valid if that alteration had not been made or that resolution of the General Meeting had not been given.

15 REMUNERATION OF DIRECTORS

- 15.1 Subject to section 181 of the Law, every Director may receive for his services as such or for services outside the scope of the ordinary duties of directors (including, appointment in Committees), such remuneration (by way of salary, participation in the profits or otherwise) as the General Meeting shall approve with the sanction of an ordinary resolution and unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.
- 15.2 Every Director shall be entitled to be paid by the Company all reasonable travelling, hotel, post and other expenses properly incurred by him in connection with the discharge of his duties and obligations as a Director as well as his attendance to meetings of the Directors and general meetings of the Company including travelling expenses and accommodation (to hotels or elsewhere) and other expenses.
- 15.3 A Managing (Executive) Director shall be entitled to receive such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another) as the Directors may from time to time determine. The remuneration to be fixed for a Director appointed to the office of Managing (Executive) Director may be independent of and in addition to that which may be fixed under this Regulation.

16 DIRECTOR'S INTERESTS

- 16.1 A Director notwithstanding his office may, without prejudice to sections 183 to 186 (both inclusive) and 191 of the Law:
- 16.1.1 become a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and
- 16.1.2 become a director or other officer of, or be employed by, or become a party to any transaction or arrangement with, or otherwise be interested in, any Corporation promoted by the Company or in which the Company is otherwise interested,
- and accordingly the Director shall not, by reason of his office, be accountable to the Company for any benefit which he may derive from any such office or employment or from any such transaction or arrangement or from any interest he may have in any such Corporation and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit provided always that the Director discloses to the Company the nature and extent of his interest.
- 16.2 A general notice given to the Company or tendered at a Board Meeting that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified Person or class of Persons is interested shall be deemed to be a disclosure that the Director has an interest in the said transaction or arrangement of the nature and extent so specified.
- 16.3 Notwithstanding anything in this Regulation 16, an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge, shall not be treated as an interest of his.

17 PROCEEDINGS OF DIRECTORS

- 17.1 Subject to the Articles, the Directors may regulate the proceedings of their meetings as they think fit. A Director may call a meeting of the Directors. Notice of a meeting of Directors shall be given to each Director whether or not absent from Cyprus. Every Director has one vote and all business arising at every Board Meeting shall be decided (or resolved) by a resolution and no resolution shall be effective unless sanctioned by at least a majority of votes of the Directors present at the meeting, voting and entitled to vote. In the case of an equality of votes, the Chairperson shall have a casting vote. A Director

who is also an alternate director shall be entitled to a separate vote in the absence of the Director who has appointed him as an alternate director.

- 17.2 A Director may, subject to disclosure being made in accordance with the Articles, vote as a Director on a resolution concerning any matter in which he has, directly or indirectly, an interest or duty and his vote shall (subject as aforesaid) be counted and he shall be counted in the required quorum when that resolution or matter is put before the Board of Directors.
- 17.3 The required quorum for the transaction of the business at a meeting of the Directors shall be at least the majority in number of the Directors if other not determined the Board of Directors. An alternate director shall, if the appointor-Director is absent, be counted in the quorum.
- 17.4 The Directors present at a meeting of the Board of Directors at which there is no quorum or at which the quorum ceases to be present may act only for the purpose of calling a general meeting or a separate meeting of the Holders of Shares of a class and for no other purpose.
- 17.5 Notwithstanding section 174 of the Law, acts done by the Board of Directors or a Person acting as Director are, notwithstanding that it was afterwards discovered that there was some defect in the appointment of a Director or that a Director was disqualified from holding office, or had vacated office, or was not entitled to vote, as valid as if such person had been duly appointed as Director and was not disqualified and had continued to be a Director and had been entitled to vote.
- 17.6 A resolution in writing signed or approved by letter, telegram, radio telegram, telex, telefax or other similar means by all the Directors, shall be as valid and binding, as it would have been if it had been passed or sanctioned unanimously at a meeting of the Board of Directors which had been duly convened, constructed and held. Any of such resolution may consist of one or several documents each duly signed by one or more Directors. The resolution shall take effect as passed or sanctioned the date on which the resolution has been received by the Company, or delivered, at the Office duly signed.
- 17.7 A meeting of the Board of Directors may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates is able to hear each other participating Director addressing the meeting and to address all other participating Directors simultaneously, whether directly, by conference telephone or by any other means of, or equipment for, communications or by a combination of the said means and/or equipment. A quorum shall be deemed to be present of those conditions are satisfied in respect of at least the number of Directors required to form a quorum under Regulations 17.3. A meeting of the Board of Directors which comply with this Regulation 17.7 shall be deemed to be a meeting that took place at the Office.
- 17.8 To the extent permitted by section 173 of the Law any provision in the Law or the Articles requiring or authorizing a thing to be done by or to a Director and the Secretary shall be satisfied by its being done by or to the same Person acting both as Director and as, or in place of, the Secretary.

18 MINUTES

- 18.1 The Directors shall cause minutes to be made in accordance with sections 139 and 140 of the Law in books kept for the purpose of (in this Regulation 18, the **Minute Books**):
- 18.1.1 all appointments of Officers and Auditors;
 - 18.1.2 all resolutions, decisions and proceedings at general meetings, meetings of Directors, Board Meetings and meetings of Debenture holders; and
 - 18.1.3 all the names of Directors, managers, Members, Debenture holders and other Persons, as the case may be, present at such meetings.
- 18.2 The Directors may, to the extent permitted by the law, keep any of the Minute Books in an electronic form.

19 SEAL

- 19.1 The Seal shall only be used by the authority of the Board of Directors or Managing (Executive) Director if appointed. The Board may determine who shall sign the instrument or document to which the Seal is to be affixed.

19.2 The Company may exercise all the powers given by section 36 of the Law with regard to an official seal of the Company for use abroad, and such power is vested in the Board of Directors.

20 DIVIDENDS

20.1 The General Meeting may with the sanction of an ordinary resolution declare Dividends but no Dividends shall exceed the amount recommended by the Board of Directors.

20.2 Board of Directors may declare interim dividends.

20.3 No Dividend shall be paid otherwise than out of divisible profits.

20.4 No Dividend shall be paid or distributed on Shares which carry or confer deferred or non-preferred rights as regards Dividends if, at the time of such payment or distribution, any preferential Dividend or otherwise Dividend on Shares which carry or confer preferential rights as regards Dividends, is in arrears.

20.5 Any Dividend payable at a fixed rate may be paid at intervals if it appears to the Board that the profits available for distribution justify the payment.

20.6 Subject to the Class/Special Rights, the Dividends shall be declared and paid according to the amounts of nominal capital Paid Up on the Shares to which the Dividends relate. The Dividends shall be apportioned and paid proportionately to the amounts Paid Up on the Shares during any portion or portions of the period in respect of which the respective Dividends are paid; but, if any Shares are issued on terms providing that they shall rank for Dividend as from a particular date or to a particular extent, those Shares shall rank for Dividend accordingly.

20.7 Every general meeting at which a dividend or bonus is declared may direct that the payment of such dividend or bonus may be made wholly or partly by the distribution of specific assets of the Company and in particular of fully paid up shares, debentures or debenture stock of another company or in any one or more of such ways, and the Directors will give effect to such direction; and where any difficulty is encountered on any such distribution, the Directors may settle the same in any way they think fit, and in particular they 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 on the basis of the value so fixed for the adjustment of the rights of all the members, and may transfer any such specific assets in trustees in the way the Directors shall think fit.

20.8 Dividends or other money payable in cash on, or in respect of Shares may be paid by direct debit, bank or wire transfer or other automated system of bank transfer, cheque, banker's draft or warrant, and the same may be sent by post to the address of the Member (or, as the case may be, to the Member's Successor) as shown in the Register or, if two or more Persons are registered as Joint Holders of the Shares or are entitled to the Shares as Successors, to any one of such Persons or to such other Person and such address as the said Persons may direct in writing. Notice for a dividend that has been declared will be given in the way hereinafter mentioned, to the persons entitled to participate in that dividend.

20.9 Except as otherwise expressly provided by the Class/Special Rights, no Dividend or other money payable on or in respect of, Shares shall bear interest against the Company.

20.10 Any Dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Board of Directors so resolves, be forfeited and cease to remain owing by the Company.

20.11 The Board of Directors may transfer out of the profits of the Company to a reserve or reserves such amounts as the Board thinks fit and any sums represented by such amounts may be employed in the business of the Company or used for the purposes of redemption of Shares, or deposited with any bank or financial institution or invested in such investments or other assets, as the Board shall determine.

20.12 The Board of Directors may deduct from any dividend payable to any member, all sums of money (if any) presently payable by such member to the Company with regard to the shares of the Company.

20.13 No dividend shall bear interest as against the Company.

21 RECORDS AND ACCOUNTS

- 21.1 Notwithstanding the rights conferred on the Members by the Law (including sections 140, 187 and 192 of the Law), every Member and his duly authorised representative shall (as such) at any time during office hours have the right of inspecting and upon request forthwith be supplied with by the Company any copies (so requested) of, the accounting and financial records and other books, documents and records (whether financial or not), including all the registers, of the Company.
- 21.2 The Directors shall comply with, and shall procure compliance by the Company of, the provisions of the Law relating to the financial statements and accounts (including sections 141, 142, 143, 149, 151, 152 and 152A of the Law) to the extent that such provisions apply or relate to the Company.
- 21.3 The first Auditors shall be appointed and their remuneration shall be fixed by the Board of Directors until the conclusion of the first annual general meeting of the Company and thereafter sections 153 to 156 (both inclusive) shall be complied with, subject nevertheless to the overriding power conferred on the General Meeting by this Regulation 21.3 to appoint new Auditors or remove or replace the existing Auditors at any time with the sanction of an ordinary resolution. Any resolution to remove or replace the existing Auditors shall not, except if proposed (or intended to be proposed) at an annual general meeting, require special notice under section 136 of the Law.

22 NOTICES

- 22.1 Any notice to be given to or by any Person pursuant to the Articles shall be in writing and given either personally or sent by prepaid post or electronic mail or facsimile to the postal or electronic address or fax number (respectively, as the case may be), of the addressee as stated in the relevant registers of the Company. If the Company is addressee the postal address shall always be the Office. In the case of Joint Holders all notices shall be given to the Joint Holder whose name stands first in the Register in respect of the joint Shares in which case it shall be sufficient notice to all the Joint Holders of those Shares.
- 22.2 A Member who is present either in person or by Proxy at any general meeting shall be deemed to have duly received notice of the meeting and of the purposes for which it was called.
- 22.3 The Successor shall be bound by every notice in respect of Successor Shares which has been duly given to the Holder of the Successor Shares.
- 22.4 A notice may be given by the Company to the Successor by sending or delivering the notice, in any manner permitted by the Articles, addressed to the Successor by name, or by its capacity at the address (if any) supplied by the Successor to the Company for that purpose. Until such an address is supplied to the Company, a notice may be given in the manner in which it may be given if the death or bankruptcy of Holder of the Successor Shares has not occurred.
- 22.5 Any notice sent in accordance with the provisions of this Regulation 22 shall be deemed served 48 hours after posted or despatched (as applicable). In proving the giving of a notice it shall be sufficient, in the case of posting, to prove that an envelope containing a notice was properly addressed, prepaid and posted, in the case of personal delivery that it was delivered or left at the address of the Person to which the notice is addressed and, in the case of an electronic mail or facsimile, that the electronic mail or fax containing the notice was duly despatched to the e-mail address or fax number of the Person to which the notice is addressed.

23 WINDING UP

- 23.1 If the Company is being wound up, the liquidator may, with the sanction of an Extraordinary Resolution and any other sanction required by the Law, divide among the Members either in kind or in specie the whole or any part of the assets of the Company and may for that purpose, value any assets and determine how the division shall be carried out as between the Members or their different classes. The liquidator may with the sanction of an Extraordinary Resolution, vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the Members as he with the like sanction determines, but no Member shall be compelled to accept any assets upon which there is a liability or other encumbrance.

24 INDEMNITY

24.1 Subject to section 197 of the Law, without prejudice to any indemnity to which an Officer or former Officer may otherwise be entitled, every Officer and former Officer and the Auditors and former Auditors shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings against him, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 383 of the Law in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in respect of the affairs of the Company.
