

**THE COMPANIES LAW CAP. 113**  
**PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**  
**OF**  
**THE COMPANY**

**DEKELOIL PUBLIC LIMITED**

**INTERPRETATION**

- 1 In these Regulations, except where inconsistent with the subject or context hereof, the terms used in the Companies Law, Cap. 113, as such Law will apply after any possible amendments, at the date on which these Regulations shall come into force, will bear the meaning given to them in the said Law. The words standing in the first column of the Table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, that is -

<b>WORDS</b>	<b>MEANING</b>
<b>the Board of Directors</b>	The Board of Directors of the Company
<b>the Company</b>	DEKELOIL PUBLIC LIMITED
<b>Conversion Date</b>	The date on which Company achieves the Conversion Conditions
<b>Conversion Conditions</b>	The conditions to the conversion of the Deferred Shares into Ordinary Shares as follows: <ul style="list-style-type: none"><li>(i) that the 60 tonne per hour palm oil mill is in operation by no later than 30 June 2014; and</li><li>(ii) the Company achieves the target of processing 2,000 tonnes of palm fruit in a calendar month for a third occasion on or before 31 December 2014.</li></ul>
<b>Class A Shares (“the Deferred Shares”)</b>	Deferred shares in the capital of the Company
<b>Cyprus</b>	The Republic of Cyprus

<b>the Directors</b>	The Directors for the time being of the Company or the Directors who are present at a meeting of the Board of Directors which has been duly called and in which there is a quorum.
<b>in Writing</b>	In writing or in any substitute way or partly in one way and partly in the other way and includes typing, printing, lithography, photography, photocopying or any other mode or modes of reproducing words in a visible form.
<b>the Law</b>	The Companies Law, Cap. 113 and any Law amending or substituted for the same.
<b>Member</b>	Member of the Company
<b>Month</b>	Calendar Month
<b>the office</b>	The registered office for the time being of the Company in Cyprus
<b>Ordinary Shares</b>	Ordinary shares in the capital of the Company
<b>Paid up</b>	Paid up or credited as paid up.
<b>Person</b>	any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires.
<b>Poll</b>	Voting on a Poll
<b>Proxy</b>	Proxy
<b>recognised person</b>	a recognised clearing house or nominee of a recognised clearing house /or of a recognised investment exchange
<b>Register</b>	The Register of Members of the Company
<b>Regulations</b>	These Articles of Association and any modifications or amendments which take place by virtue of a special resolution
<b>Seal</b>	The common seal of the Company
<b>Securities</b>	means Shares and debt obligations of every kind of the Company and including without limitation options, warrants and rights to acquire Shares or debt obligations
<b>Share</b>	a share issued or to be issued by the Company, consisting of Ordinary Shares and Deferred Shares as applicable.
<b>Stock Exchange</b>	London Stock Exchange Plc or any successor body carrying on its functions
<b>United Kingdom</b>	Great Britain and Northern Ireland

Words importing the singular only shall include the plural number and vice-versa, and

Words importing the masculine gender only shall include the feminine gender, and

Words referring to persons shall include companies, bodies corporate, with limited liability or not or other legal persons and the terms "debenture" and "debenture holder" shall include debenture stock and holders of titles of debenture stock and the term "Secretary" shall include a temporary or

an assistant Secretary and any person appointed by the Directors in order to execute secretarial duties.

Any reference in these Regulations to any provision of the Law, where this accords with the text, shall be interpreted as a reference to a provision of the Law as such Law stands for the time being after any possible amendments.

- 2 Part I of Table A in the First Schedule of the Companies Law shall not apply to the Company except where this is repeated and incorporated in these Regulations.
- 3 The Company is a public company and accordingly the number of shareholders of the Company shall be minimum of seven and unlimited.

## SHARES

- 4 A. The share capital of the Company shall consist of Ordinary Shares and Class "A" Shares (the "Deferred Shares") and they shall carry the rights and privileges as stated in these Regulations. The Ordinary Shares and Class "A" Shares (the "Deferred Shares") shall rank *pari passu* in all respects unless herein otherwise provided.
4. Subject to the provisions of Regulations 150 - 153 inclusive, except as required by 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 Regulations otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder, except only after a Court order by a competent Court.

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.
- 5 Subject to the provisions of these Regulations, the shares shall be at the disposal of the 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.
- 6 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 the shares may by special resolution determine.
- 7 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.
- 8 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 such amount as the Directors shall from time to time determine, for every certificate after the first. Every certificate shall be under the 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.
- 9 When a member has sold a part of his shares that are registered in his name, he shall be entitled to receive, without payment, a certificate for the rest of his shares.

- 10 If a share certificate shall be worn out, defaced, destroyed or lost, it may be replaced with a new one on payment of a fee (if any) and under such terms (if any) as to the evidence and indemnity and the payment of the out-of-pocket expenses of the Company relating to the investigation of the evidence, as the Directors shall determine.
- 11 The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with 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 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.
- 12 Nothing in these Regulations shall preclude any share or other security of the Company from being issued, held, registered, converted, transferred or otherwise dealt with in uncertificated form.

In relation to any Share or other security which is in uncertificated form, these Regulations shall have effect subject to the following provisions:

- (a) the Company shall not be obliged to issue a certificate evidencing title to shares and references to a certificate in respect of any Shares or securities held in uncertificated form in these Regulations shall be deemed inapplicable to such Shares or securities which are in uncertificated form;
- (b) the registration of title to and transfer of any Shares or securities in uncertificated form shall be sufficient for its purposes and shall not require a written instrument of transfer;
- (c) a properly authenticated dematerialised instruction will need to be given;
- (d) any communication required or permitted by these Regulations to be given by a person to the Company may be given in accordance with and in any manner (whether or not in writing) prescribed or permitted by Cyprus law;
- (e) if a situation arises where any provisions of these Regulations are inconsistent in any respect with any provision of Cyprus law then:
  - (i) the relevant provision of Cyprus law will be given effect thereto in accordance with its terms; and
  - (ii) the directors shall have power to implement any procedures as they may think fit and as may accord with any provision of Cyprus law for the recording and transferring of title to shares and securities in uncertificated form and for the regulation of those proceedings and the persons responsible for or involved in their operation.

The Directors shall have the specific powers to elect, without further consultation with the holders of any shares or securities of the Company (except where such shares or securities are constituted by virtue of some other deed, document or other source), that any single or all classes of shares and securities of the Company become capable of being traded in uncertificated form.

- 13 Conversion of Shares held in certificated form into Shares held in uncertificated form, and vice versa, may be made in such manner as the Directors may, in its absolute discretion think fit. The Company shall enter on the register of members how many Shares are held by each Shareholder in uncertificated form and in certificated form and shall maintain the register of members in each case. Notwithstanding any provision of these Regulations, a class of Shares shall not be treated as two classes by virtue only of that class comprising both certificated Shares and uncertificated Shares or as a result of any provision of these Regulations which apply only in respect of certificated or uncertificated Shares.
- 14 “Deferred Shares”

- (1) The Deferred Shares shall not confer on the holders of those shares any right to receive:
  - (i) notice of or to attend, speak or vote at any general meeting or on any written resolution of the Company, except in respect of any vote concerning a proposed variation of the class of rights of Deferred Shares in accordance with Article 60; and
  - (ii) any dividend declared by the Company.
- (2) The Deferred Shares shall not be transferrable without the unanimous consent of the Board of Directors.
- (3) On the Conversion Date, all of the Deferred Shares shall automatically convert into Ordinary Shares on the basis of one Ordinary Share for each Deferred Share held and the Ordinary Shares resulting from the conversion shall rank pari passu in all other respects with the existing issued Ordinary Shares.
- (4) On the Conversion Date, each holder of the relevant Deferred Shares shall deliver the certificate (or an indemnity in a form reasonably satisfactory to the Board of Directors for any lost share certificate) for the Deferred Shares being converted (together with such other evidence (if any) as the Board of Directors may reasonably require to prove good title to those Deferred Shares) to the Company at its registered office for the time being.
- (5) In the event the Conversion Conditions are not achieved, the Company has authority at any time:
  - (i) to appoint a person on behalf of any holder of Deferred Shares to enter into an agreement to transfer and to execute a transfer of the Deferred Shares for a consideration not exceeding the nominal value thereof for each holding of the Deferred Shares, to a person appointed by the directors to be the custodian of those shares; or
  - (ii) to cancel and/or purchase the Deferred Shares (subject to the Law) without making any payment to or obtaining a sanction of the holders of the Deferred Shares; and
  - (iii) pending any transfer or cancellation or purchase of Deferred Shares to retain the certificate for those shares.

#### **LIEN ON SHARES**

- 15 The Company shall have a first and paramount lien on every share for all moneys (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 the shares registered in the name of a single person for all moneys presently payable by such person or his estate or his beneficiaries to the Company; but the Directors may, at any time, declare any share to be wholly or partly exempt from the provisions of this Regulation. The Company's lien, if any, on a share shall extend to all the dividends payable thereon.
- 16 The Company may sell in such manner as the Directors think fit, any shares on which the Company has a lien, but no such sale shall take place 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 has been given to the registered holder for the time being of that share or to the person entitled to that share by reason of the death or bankruptcy of that holder; such written notice shall state the amount presently payable and demand the payment thereof.
- 17 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 irregularity or invalidity in the proceedings in reference to the sale.

- 18 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.

### **CALLS ON SHARES**

- 19 The Directors may from time to time make such calls upon the members in respect of any unpaid sums on their shares (either on account of the nominal value of the shares or by way of premium) and which, according to the terms of issue, are not payable at fixed dates; and every member (provided that he receives at least fourteen days notice specifying the date or dates and the place of payment) shall pay the Company, at the date or dates and place so specified, the sum called on his shares. A call shall be subject to revocation or postponement as the Directors may think fit.
- 20 A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may provide for payment by instalments.
- 21 The joint holders of a share shall be jointly liable to pay all calls in respect thereof.
- 22 If a sum called in respect of a share is not paid, before or on the day appointed for the payment thereof, the person from whom the sum is due shall pay interest on such sum from the day appointed for payment thereof to the time of actual payment, at such rate as the Directors may, from time to time, determine, but the Directors shall have power to waive payment of such interest wholly or in part.
- 23 Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, either on account of the nominal value of the share or by way of premium, shall, for the purposes of these Regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment the provisions of these Regulations as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 24 The Directors may, on the issue of shares, differentiate between the holders of shares as to the number of calls to be made, as to the amount that has to be paid on every call and as to the time of payment of such calls.
- 25 The Directors may, if they think fit, receive from any shareholder 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 the Directors may (until the same would, but for such advance, become payable) pay interest at such rate as may be agreed between the Directors and the member paying such sum in advance.

### **TRANSFER OF SHARES**

- 26 The instrument of transfer of any certificated Share shall be executed by or on behalf of the transferor and by or on behalf of the transferee.
- 27 Nothing in these Regulations shall preclude the transfer of shares or other securities of the Company in uncertificated form in accordance with the terms of Regulation 12 and any reference contained in these Regulations in relation the execution of any instrument of transfer or registration of any transfer of shares or other securities of the Company in uncertificated form shall be read in accordance with the terms of Regulation 12.
- 28 Subject to such of the restrictions of these Regulations as may be applicable, any member may transfer all or any of his shares by instrument in writing in the following form or in any usual or common form or any other form which the Directors shall approve. Except where it is permitted that the instrument of transfer is only signed by or on behalf of the transferor,

the same shall be signed by or on behalf of the transferor and, also, by or on behalf of the transferee:

"I, A.B. of ..... in consideration of the sum of Euro ..... paid to me by C.D. of ..... (hereinafter called "the said transferee") hereby transfer to the said transferee the share(s) numbered ..... in the undertaking called the ....., so that the said transferee, his executors, administrators, and assigns, shall hold the same subject to the same terms as I held the same at the time of the execution of this transfer. And I, the said transferee hereby agree to take the said share(s) subject to the conditions aforesaid.

Made and signed the ..... day of .....200..

Witness to the signature of.....".

- 29 Subject to the provisions of Regulations, the Directors may in their absolute discretion and without assigning any reason therefore refuse to register the transfer of any share or shares, not being a fully paid share. They may also refuse to register any transfer of any share on which the Company has a lien, as well as to register any transfer of any share if by any such transfer the number of members of the Company becomes less than seven.
- 30 No share shall be given by any member of the Company as pledge or security for any loan, debt or obligation without a permit in writing first obtained from the Directors and the Directors shall refuse to register or recognise 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.
- 31 In addition to any right of the Directors to refuse registering any share, they may also refuse to recognise any instrument of transfer if:
- (i) the fee which the Directors may from time to time determine is not paid to the Company in respect thereof;
  - (ii) 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
  - (iii) the instrument of transfer is in respect of more than one class of shares.
- 32 If the 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
- 33 The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year upon notice being given by advertisement in a leading newspaper and in such other newspaper (if any) as may be required.
- 34 The Company shall be entitled to charge such fee as the Directors may from time to time determine for the registration of any probate, letters of administration, certificate of death, power of attorney, or other instrument.

#### **TRANSMISSION OF SHARES**

- 35 In case of the death or dissolution of a member the survivor or survivors where the deceased was a joint holder, and the legal personal representatives or in the absence of such legal representatives the heirs of the deceased where he was a sole holder, or the successor or successors, in the case of a dissolved legal person, shall be the only persons recognized by the Company as having any title to or interest in the shares; but nothing herein contained 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.

- 36 Any person becoming entitled to a share in consequence of the death, or bankruptcy, or dissolution, of a member may upon such evidence being produced as may from time to time properly 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, but the Directors shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy or dissolution, as the case may be.
- 37 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 he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death, or bankruptcy, or dissolution, of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 38 A person becoming entitled to a share by reason of the death, or bankruptcy, or dissolution 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 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 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**

- 39 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 the accrued interest and any expenses incurred by the Company.
- 40 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.
- 41 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. Such forfeiture will include all the dividends declared in respect of the shares which have been forfeited and which have not been paid up until forfeiture.
- 42 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.
- 43 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 the shares, together with interest on these sums from the date on which these became payable until payment, at such rate as the Directors may determine; but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares together with the interest provided above.
- 44 A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the

declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to 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, if any, 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.

- 45 The provisions of these Regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of the 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.

#### **ALTERATION OF CAPITAL**

- 46 (1) The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

(2) The Company may, 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.

- 47 (1) Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of capital, all unissued shares of the Company (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 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.

(2) 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.

- 48 The Company may by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (ii) subdivide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of Section 60(1)(d) of the Law;
- (iii) 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.

And by special resolution:

- (iv) reduce its share capital, or 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.

#### **GENERAL MEETINGS**

- 49 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.
- 50 All general meetings other than annual general meetings shall be called extraordinary general meetings.

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

- 51 Subject to Regulation 14, an annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' prior 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 the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under the Regulations of the Company, entitled to receive such notices from the Company.

Provided that a 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 so agreed:

- (i) in the case of a meeting called as the annual general meeting by all the members entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting by a majority in number of the members having a right to attend and vote at such meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
- 52 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.
- 53 Each notice calling for a general meeting of the Company shall include, in a noticeable place thereof, a declaration that a member who is entitled to attend and vote he is also entitled to appoint one or more proxies to attend and vote in his place and that such proxy need not be a member.

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

- 54 All business shall be deemed special that is transacted at an extraordinary general meeting and also 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 and the appointment of, and the fixing of the remuneration of, the auditors.
- 55 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 herein otherwise provided two members present in person or by proxy shall be a quorum.
- 56 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.

- 57 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, then the vice-chairman of the Board, if any, shall preside in his place. If there is no vice-chairman, or if he is also not present within the time-limit prescribed above for the chairman, or if he is unwilling to act, then, the Directors present, if any, shall elect one of their number to be chairman of the meeting; and in case where the Directors refuse to make such election, or in case where none of the Directors present is willing to preside or in case where no Director is present within fifteen minutes after the time appointed for the holding of the meeting then, the members present shall elect one of their number to be chairman of the meeting.
- 58 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. Except as provided above, it shall not be necessary to give any notice for an adjournment or for the business to be transacted at an adjourned meeting.
59. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
- (i) by at least three members present in person or by proxy; or
  - (ii) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - (iii) by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

The above does not apply in case of a decision to be taken by the shareholders in relation to the change of the amount or the classes of the share capital or to the rights attached to any class of shares whereby the provisions of section 59A of the Law apply. In this case the following rules shall apply:

- (a) when the share capital of the company is divided into different classes of shares, separate voting takes place for each class of shares, the rights of which are affected by the change;
- (b) the decision shall be taken by a majority of two thirds of the votes corresponding either to the represented securities or to the represented issued share capital. When at least half of the issued share capital is represented, a simple majority shall be sufficient.

The above provisions shall apply to the issuance of all the securities convertible into shares or attaching the right to undertake shares, but not to the conversion of securities and the exercise of the right of undertaking.

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. he demand for a poll may be withdrawn.

60. Except as provided in Regulation 66, 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.
61. (a) In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.  
  
(b) 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.
62. Subject to the provisions of the Law and Regulation 14, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorized 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.

### **VOTES OF MEMBERS**

63. Subject to any rights or restrictions for the time being attached to any class or classes of shares, 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.
64. 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.
65. 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.
66. 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 in the Company have been paid.
67. 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.
68. On a poll votes may be given either personally or by proxy.
69. 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 the officer or attorney duly authorised. A proxy need not be a member of the Company but shall have the same right to speak at the general meeting as his appointer.
70. 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 or at such other place within Cyprus as is specified for that purpose in the notice convening the meeting not less 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, in the case of a poll, not less than 24 hours before

the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

71. The instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

### **DEKELOIL PUBLIC 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 on my/our behalf at the annual\*/extraordinary\* (\*delete whichever is not applicable) general meeting of the Company, to be held on the ..... day of ..... 200..., and at any adjournment thereof.

Signed this ..... day of ..... 200...."

72. 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:

### **DEKELOIL PUBLIC 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 on my/our behalf at the annual\*/extraordinary\* (\*delete whichever is not applicable) general meeting of the Company, to be held on the ..... day of ..... 200..., and at any adjournment thereof.

Signed this ..... day of ..... 200...."

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

Unless otherwise instructed, the proxy will vote as he thinks fit (\*Delete whichever is not desired).

73. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
74. 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 office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **CORPORATIONS ACTING BY REPRESENTATIVES AT 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 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.

### **DIRECTORS**

76. Unless and until otherwise determined by the Company at a general meeting, the number of Directors shall be two (2) to seven (7). The names of the first Directors shall be determined in writing by the subscribers of the Memorandum of Association or a majority of

them. Until the appointment of the first Directors the subscribers of the Memorandum of Association shall exercise all the powers of the Directors.

77. (1) The remuneration if any, of the Directors shall be determined from time to time by the Company at a general meeting. Such remuneration shall be deemed to accrue from day to day. The Directors shall also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or which have been incurred by them in any other way in connection with the business of the Company.

(2) Any Director who at the Company's request provides special services to the Company or it is necessary to travel or to remain abroad for the Company's purposes, will receive from the Company such additional remuneration by way of salary, benefit, real expenses or in any other way as the Board will decide.

78. The shareholding qualification for Directors may be fixed by the Company in general meeting and, unless and until so fixed, no qualification shall be required.

79. (1) 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 may be interested as 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.

(2) The Directors are entitled to exercise the voting rights which are conferred on the Company by any shares which the Company has or holds in any other company or the rights which are exercised by them as Directors of such other company in such manner as regards all matters, as the Directors will deem fit (including the exercise of the voting right in favour of any resolution which appoints themselves, or some of them as Directors, or officers of such other company) and each Director will have the right to vote in favour of the exercise of such voting rights in manner aforesaid, even if it is likely or about to happen that such Director will be appointed as a Director or officer of such other company in which event he will or is likely to have an interest in the exercise of such voting rights in manner aforesaid.

#### **BORROWING POWERS**

80. (1) The Directors may exercise all the powers of the Company to borrow, the giving of guarantees and the charge or mortgage (in such manner and on such terms as the Directors may from time to time deem fit or expedient) the whole or part of the undertaking, movable and immovable property of the Company, present or future, including all or part of the uncalled capital of the Company, and to issue floating charges, debentures, mortgage debentures, debenture stock, promissory notes, bonds and other securities payable to bearer or otherwise and whether perpetual or redeemable or repayable and whether outright or as security for any debt, liability or obligation of the Company or of any third party.

(2) Any such floating charges, debentures, mortgage debentures, debenture stock, bonds, promissory notes or other securities may be issued at a discount, at a premium or otherwise and with such powers as to redemption, surrender, drawings, allotment of shares or other as the Directors shall think fit or expedient.

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

81. 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 Regulations required to be exercised by the Company in general meeting, subject, nevertheless, to these Regulations, to the provisions of the Law and to such regulations, not being inconsistent with these Regulations 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 such regulation had not been passed.

82. The Directors shall duly comply with the provisions of the Law and particularly with the provisions requiring the registration of particulars, mortgages and charges affecting the property of the Company or created by the Company, the keeping of a Register of Directors and Secretary, the sending to the Registrar of Companies of an annual report, notice of consolidation or increase of the share capital, copies of special and extraordinary resolutions as well as a copy of the Register of Directors and notifications of any changes therein.
83. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person 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 Regulations) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain provisions for the protection and convenience of 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.
84. The Company may exercise the powers conferred by Section 36 of the Law and which concern the right of the Company to have an official seal for its use abroad, and such powers shall be exercised by the Directors.
85. (1) A Director which in any way, directly or indirectly, has an interest in a contract or a proposed contract with the Company, shall declare the nature of his interest at a meeting of the Directors according to section 191 of the Law.
- (2) Any Director or any company or firm of which a Director is a shareholder, partner or director, may contract and participate in the profits of any contract or arrangement with the Company as if he were not a Director and may retain for his own use any profits or benefits made by him under any such contract. Every Director shall also be entitled to vote on any matter concerning any such contract or arrangement notwithstanding any interest he may have therein as well as on any matter concerning his appointment with remuneration to any office or place of profit under the Company or on the regulation of the terms thereof and shall be entitled to be counted in the quorum of the Board of Directors at any meeting at which any such matter is considered.
- (3) The Directors may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with the office of Director, for such period and on such terms (as to remuneration and 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 office or other place of profit or as a salesman or a purchaser or in any other way, and neither any such contract, or any contract or any arrangement which has been concluded by or on behalf of the Company, to which such Director has some interest will be voidable, nor any Director who will conclude any such contract, or who will have any such interest will be under an obligation to account to the Company for any profit which he will make from any such contract, or arrangement, solely due to the fact that such Director holds the office of Director or due to the confidential nature of this office.
- (4) The Directors may act by themselves or their firm in a professional capacity for the Company, so that the Director who acts in such a way 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 of the Company.
86. 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 the Directors shall from time to time by resolution determine.
87. The Directors shall cause minutes to be made in books provided for this purpose with regard to the proceedings at all meetings of the Company, and of the Directors and of the Committees of Directors.

88. The Directors may, on behalf of the Company, pay a gratuity pension or other allowance on retirement to any Director who held a salaried office or place of profit with the Company or to his widow or his dependants and may contribute to any fund or pay an additional reward for the purchase or provision of any such gratuity, pension or allowance.

#### **ALTERNATE DIRECTORS**

89. (1) Each Director may, at any time and from time to time, appoint any person approved by the Directors to act as Alternate Director in his place. Subject to the terms and conditions existing with reference to the other Directors and Alternate Directors, an Alternate Director shall exercise and discharge all the powers and duties of the Director he represents. Any Director of the Company who is appointed an Alternate Director shall be entitled to vote at any meeting of the Directors on behalf of the Director so appointing him as distinct from the vote to which he is entitled in his own capacity as a Director of the Company, but shall only be considered as one Director for the purpose of making a quorum of Directors.
- (2) Every appointment, of an Alternate Director made under this Regulation shall be subject to revocation at any time by the appointing Director. Any appointment or revocation of appointment of an Alternate Director may be made by cable, telegram, radiogram, telex, telefax or in any other similar way but shall be confirmed as soon as possible by letter, but shall be effective immediately (that is even before receipt of the letter). Provided that the relevant instrument of appointment shall be forwarded to the office on time so that it is received not later than 48 hours before the first meeting of the Board is to take place at which the Alternate Director will be present. The presence of the Director who appointed the Alternate Director in any meeting of the Board, will automatically suspend, with regard to such meeting, the appointment of the Alternate Director who shall not be entitled to be present at and attend such meeting.
- (3) Any instrument appointing an Alternate Director shall, as nearly as circumstances will admit, be in the following form or to the effect following:

#### **DEKELOIL PUBLIC LIMITED**

I.....a Director of the Company

in pursuance of the powers on that behalf contained in Regulation 91 of the Articles of Association of the Company, do hereby nominate and appoint ..... of ..... to act as Alternate Director in my place and on my behalf at any meeting of the Directors which I am unable to attend and to exercise and discharge all my powers and duties as a Director of the Company.

Such appointment shall be valid for the meeting of the Directors to be convened on .....200 \*/for a period of .....days\*/until it is revoked by me by my notification to the Company.\*

(\*Delete whichever is not applicable)

In ..... this ..... day of ..... 200...

(Signed) .....

Director

- (4) The Director who appointed the Alternate Director will not be responsible for the acts or omissions of the Alternate Director he appointed unless, and to the degree that, he has authorised or approved the same.

#### **DISQUALIFICATION OF DIRECTORS**

90. The office of Director shall be vacated if the Director -
- (i) becomes bankrupt or makes any arrangement or composition with his creditors generally; or

- (ii) becomes prohibited from being a Director by reason of any order made under section 180 of the Law; or
- (iii) becomes of unsound mind; or
- (iv) resigns his office by notice in writing to the Company.

#### **ROTATION OF DIRECTORS**

- 91. Subject to the provisions of these Regulations, at the first annual general meeting all the Directors shall retire from office and at each subsequent annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.
- 92. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 93. A retiring Director shall be eligible for re-election.
- 94. The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.
- 95. No person other than a Director retiring at the meeting shall unless recommended by the Directors be eligible for election to the office of Director at any general meeting, unless neither less than three nor more than twenty-one days before the date appointed for the meeting there shall have been left at the registered office notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.
- 96. The Company may from time to time by ordinary resolution increase or reduce the number of Directors, and may also determine the way of rotation and may increase or reduce the number of Directors to retire in such way.
- 97. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Regulations. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.
- 98. The Company may by ordinary resolution of which special notice will have been given in accordance with Section 136 of the Law, remove any Director before the expiration of his period of office, notwithstanding, any provisions in these Regulations or any agreement between the Company and such Director. Such removal however 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.
- 99. The Company may by ordinary resolution appoint another person in place of a Director from office under the immediately preceding Regulation, and, without prejudice to the powers of the Directors under Regulation 98, the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

#### **PROCEEDINGS OF DIRECTORS**

100. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Except as otherwise provided in these Regulations questions arising at any meeting at which a quorum is present shall be decided by a majority of the Directors taking part in the vote. In case of an equality of votes the Chairman shall 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. It will not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Cyprus.
101. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors on each occasion and unless so fixed it shall be two.
102. The continuing Directors may act at any time notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the permitted minimum number of Directors which according to the provisions of these Regulations constitute a quorum for the meetings of the Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that minimum number or of summoning a general meeting of the Company, but for no other purpose.
103. The Directors may elect a chairman and vice-chairman for the meetings and may determine the period of time for which each one of them shall hold such office; but if no chairman or vice-chairman is elected or if at any meeting of the Directors neither the chairman nor the vice-chairman is present within ten minutes after the time appointed for holding the meeting then the Directors present, may choose one of their number to be chairman of such meeting.
104. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they may think fit; a committee so formed shall in the exercise of the powers so delegated to it, conform to any regulations which may be imposed on it by the Directors.
105. The committees may elect a chairman of their meetings; if no such chairman is appointed, 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.
106. The committees may meet and adjourn their meetings as they may think fit. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
107. All acts done at any meeting of the Directors or of a committee of the 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.
108. A resolution in writing signed or approved by letter, telegram, radiotelegram, telex, telefax or other similar means by all the Directors or their Alternates, shall be as valid and binding, as it would have been if it had been passed at a meeting of the Directors which had been duly convened and held. And if it is signed as provided above, it may consist of various documents each one of which must be signed by one or more of the persons referred to above. The Directors may participate in any meeting of the Directors or any duly authorised committee by means of telephone conference or conference by similar communications equipment by means of which all persons participating in the conference can hear each other, and the participation by such means shall constitute presence in person at such meeting for which an appropriate minute shall be made.

#### **MANAGING DIRECTOR**

109. The Directors may at any time and from time to time appoint one or more of their body to the office of Managing 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. A Director so appointed shall not, while holding that office, be subject to retirement by rotation, nor shall he be taken into account in determining the Directors who retire by rotation. However, 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.

110. A Managing 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 Director shall be independent of and in addition to that which may be fixed under Regulation 81 of these Regulations.
111. The Directors may from time to time entrust to and confer upon the Managing Directors all or any of the powers of the Directors as they may think fit, but the exercise of any of the powers by one Managing Director shall be subject to such regulations and/or restrictions and/or limits as the Directors may from time to time make or impose, and the said powers may at any time be revoked or varied.

#### **SECRETARY**

112. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.
113. No person shall be appointed or hold office as Secretary who is:
- (i) the sole Director of the Company; or
  - (ii) a corporation the sole Director of which is the sole Director of the Company; or
  - (iii) the sole Director of a corporation which is the sole Director of the Company.

A provision of the Law or these Regulations requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

#### **THE SEAL**

114. The Directors shall provide for the safe custody of the seal which shall not be affixed to any instrument except pursuant to prior approval of the Directors given by their respective decision. In such a case, the seal shall be affixed in the presence of at least two Directors or of one Director and of the Secretary or of one Director and one other person as the Directors may appoint for the purpose. The Directors referred to above, or the Director and the Secretary or the person appointed by the Directors, or the only Director or the Managing Director, as the case may be, shall sign every instrument to which the seal of the Company is so affixed in their presence.

#### **DIVIDENDS AND RESERVES**

115. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.
116. The Directors may from time to time pay to the members interim dividends (including the fixed dividends which are payable at fixed times) on any preferential shares or other shares as appear to the Directors to be justified by the profits of the Company.
117. No dividend shall be paid otherwise than out of profits.

118. 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 purposes to which the profits of the Company may be lawfully applied, and pending such application, may, at the like discretion of the Directors, 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 determine. The Directors may also, without placing the same to reserve, carry forward any profits as they may think fit to the following year instead of distributing them.
119. Subject to the rights of any persons, if any, who are entitled to shares with special rights as to dividends, all dividends shall be declared and paid on the basis of 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 in proportion to the amounts paid or credited as paid on the shares during the part or parts of the period in respect of which the dividend is paid; but if a share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
120. The 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.
121. 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.
122. 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.
123. The dividends, interests or other moneys which are payable in cash in respect of shares, may be paid by cheque or warrant sent through the post 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 whose name appears first on the Register or to such person and at such address as the holder or joint holders may indicate in writing. Every such cheque or warrant shall be payable to the order of the person to whom it is sent. Any one of two or more joint holders may give valid receipts for any dividends, bonuses or other moneys paid in respect of the shares held by them jointly.
124. No dividend shall bear interest as against the Company.
125. A dividend not claimed for a period exceeding twelve years from the day it was declared, shall be subject, at any time after the expiration of this time limit, to forfeiture pursuant to a decision of the Directors.

#### **ACCOUNTS**

126. The Directors shall cause proper books of account to be kept with respect to:
  - (i) all the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;
  - (ii) all sales and purchases of goods by the Company; and
  - (iii) the assets and liabilities of the Company.

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

127. 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 open to the inspection of the Directors.
128. The Directors may from time to time determine whether and to what extent and at what times or places and under what conditions or regulations the accounts and books of the Company, or some 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 Law or authorised by the Directors or by the Company in general meeting.
129. The Directors shall from time to time, in accordance with sections 142, 144 and 151 of the Law, cause to be prepared and be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (where necessary) and reports as referred to in those sections.
130. A copy of every balance sheet (including every document required by Law to be annexed thereto) which is to be laid before the Company in general meeting together with a copy of the auditor's 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. 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 debentures of the Company.

#### **CAPITALISATION OF PROFITS**

131. 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 and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution:

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

132. 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, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of 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 any agreement made under such authority shall be effective and binding on all such members.

#### **AUDIT**

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

#### **NOTICES**

134. (1) A notice may be given by the Company to any member either by delivering it personally or by sending it by post to him or to his registered address, or (if he has no registered address within Cyprus) to the address, if any, within Cyprus supplied by him to the Company for the giving of notice to him or by fax or by special overnight courier or by dispatch by computer (e-mail) or by other similar means. Where a notice is sent by post, service of the notice shall be presumed to have been effected in the case of a notice of a general meeting at the expiration of twenty four hours after the posting of the letter containing the notice, and in every other case at the time at which the letter would be delivered in the ordinary course of post after proof that the letter containing the notice has been duly addressed to the addressee. In case the notice is sent by fax or by special overnight courier or by computer (e-mail) or by other similar means, service of it shall be deemed to have been effected at the expiration of 24 hours after it is sent.

(2) Proof that a notice has been delivered personally or that it has been posted or delivered for posting or that it has been sent to the correct address or to the correct number (of the fax or e-mail) of the person to whom it is addressed shall constitute conclusive proof that such notice was duly given. In the event of the notice having been given by fax, the signature of the sender need not be original, and in the event of the notice being dispatched by computer (e-mail) or by other similar means, it will be sufficient that the name of the sender will appear only on the printout.

135. 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.
136. 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 addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address, if any, within Cyprus supplied for the 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.
137. Notice of every general meeting shall be given in any manner hereinbefore authorised to -
- (i) every member except those members who (having no registered address within Cyprus) have not supplied to the Company an address within Cyprus for the giving of notices to them;
  - (ii) 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
  - (iii) The auditor for the time being of the Company.

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

#### **WINDING UP**

138. 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 in money or in kind the whole or any part of the assets of the company (whether they shall consist of property of the same kind or not) and may, for such

purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the 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.

#### INDEMNITY

139. Every Director, Managing Director, agent, auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, 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.
140. Every Director, Managing Director, agent, auditor, Secretary or other officer for the time being of the Company, and every employee of the Company, shall be indemnified by the Company and it shall be the duty of the Board of Directors to pay out of the funds of the Company all costs, expenses and losses which such a person may have incurred or become liable to pay by reason of any contract entered into by him in his capacity as such an officer or employee, or in respect of any transaction or act done by him in the discharge of his duties and/or powers in his capacity as such.
141. Regardless of any provision contained in the Regulations applying to the Company, the meetings of the Directors as well as the general meetings of the Company (regular and extra-ordinary) may be convened and held either in Cyprus or abroad. In case they are convened abroad they may take place in any city or place that may be required in writing by the majority of the Directors or the members (as the case may be).

#### TAKEOVER PROVISIONS

142. Except with the consent of the Directors, when:-
- (i) any person acquires, whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
  - (ii) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires additional Shares which increases his percentage of the voting rights;

such person ("**the offeror**") shall extend an offer, on the basis set out in this Regulation, to the holders of all the issued Shares in the Company.

143. Any offer made under Regulation 142 must be conditional only upon the offeror having received acceptances in respect of Shares which, together with Shares acquired or agreed to be acquired before or during the offer, will result in the offeror and any person acting in concert with it holding Shares carrying more than 50% of the voting rights.
144. No acquisition of Shares which would give rise to a requirement for any offer under Regulation 142 may be made or registered if the making or implementation of such offer would or might be dependent on the passing of a resolution of shareholders of the Company or upon any other conditions, consents or arrangements.
145. Offers made under Regulation 142 must, in respect of each class of Share capital involved, be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert with it for Shares of that class during the offer period and within 12 months prior to its commencement. The cash offer or the cash alternative must remain open after the offer has become or is declared unconditional as to acceptances for not less than 14 days after the date on which it would otherwise have expired.

146. No nominee of an offeror or persons acting in concert with it may be appointed as Director nor may an offeror and persons acting in concert with it exercise the votes attaching to any Shares held in the Company until the offer document has been posted.
147. Any offer required to be made pursuant to Regulation 145 shall be made on terms that would be required by the applicable laws on takeovers and mergers, save to the extent that the Directors otherwise determines. In relation to any offer required to be made pursuant to Regulation 142, any matter which under the applicable laws on takeovers and mergers would fall to be determined by the Panel shall be determined by the Directors in their absolute discretion or by such person appointed by the Directors to make such determination.
148. Except with the consent of the Directors, shareholders shall comply with the requirements of the applicable laws on takeovers and mergers (“**the Panel**”), in relation to any dealings in any Shares of the Company and in relation to their dealings with the Company in relation to all matters. Any matter which under the applicable laws on takeovers and mergers would fall to be determined by the Panel shall be determined by the Directors in their absolute discretion or by such person appointed by the Directors to make such determination.
149. If at any time the Directors are satisfied that any Shareholder having incurred an obligation under Regulation 142 to extend an offer to the holders of all the issued Shares shall have failed so to do, or any Shareholder is in default of any other obligation imposed upon Shareholders pursuant to Regulation 142, then the Directors may, in their absolute discretion at anytime thereafter by notice (a “**direction notice**”) to such Shareholders and any other Shareholders acting in concert with such Shareholders (together “**the defaulters**”) direct that:
- (i) in respect of the Shares held by defaulters (the “**default shares**”) the defaulters shall not be entitled to vote at a general meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company;
  - (ii) except in a liquidation of the Company, no payment shall be made of any sums due from the Company on the default shares, whether in respect of capital or dividend or otherwise, and the Company shall not meet any liability to pay interest on any such payment when it is finally paid to the Shareholders;
  - (iii) no other distribution shall be made on the default shares.

The Directors may at any time give notice cancelling a direction notice.

150. In construing these Regulations under the heading “Takeover Provisions”, words and expressions used shall bear the same meanings attributed to them in the relevant laws on takeover and mergers.

#### **DISCLOSURE OF INTEREST IN SHARES AND FAILURE TO DISCLOSE**

151. For the purposes of Regulations 152 and 153 below:
- (i) “Relevant Share Capital” means the Company’s issued share capital of any class carrying rights to vote in all circumstances at General Meetings of the Company; and for the avoidance of doubt (i) where the Company’s share capital is divided into different classes of shares, references to Relevant Share Capital are to the issued share capital of each such class taken separately and (ii) the temporary suspension of voting rights in respect of shares comprised in issued share capital of the Company of any such class does not affect the application of this Regulation in relation to interests in those or any other shares comprised in that class;
  - (ii) “interest” means, in relation to the Relevant Share Capital, any interest of any kind whatsoever in any shares comprised therein (disregarding any restraints or restrictions to which the exercise of any right attached to the interest in the share

is, or may be, subject) and without limiting the meaning of “interest” a person shall be taken to have an interest in a share if:

- (i) he enters into a contract for its purchase by him (whether for cash or other consideration); or
- (ii) not being the registered holder, he is entitled to exercise any right conferred by the holding of the share or is entitled to control the exercise or non-exercise of any such right; or
- (iii) he is a beneficiary of a trust where the property held on trust includes an interest in the share; or
- (iv) otherwise than by virtue of having an interest under a trust, he has a right to call for delivery of the share to himself or to his order; or
- (v) otherwise than by virtue of having an interest under a trust, he has a right to acquire an interest in the share or is under an obligation to take an interest in the share; or
- (vi) he has a right to subscribe for the share,

whether in any case the contract, right or obligation is absolute or conditional, legally enforceable or not and evidenced in writing or not, and it shall be immaterial that a share in which a person has an interest is unidentifiable;

- (iii) a person is taken to be interested in any shares in which his spouse or any infant, child or step-child of his is interested, and “infant” means a person under the age of 18 years;
- (iv) a person is taken to be interested in shares if a company is interested in them and:
  - (i) that body or its directors are accustomed to act in accordance with his directions or instructions; or
  - (ii) he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of that company.

PROVIDED THAT (A) where a person is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of a company and that company is entitled to exercise or control the exercise of any of the voting power at general meetings of another company (the “effective voting power”) then, for the purpose of Regulation 151(ii)(ii) above, the effective voting power is taken as exercisable by that person, and (B) for purposes of this Regulation, a person is entitled to exercise or control the exercise of voting power if he has a right (whether subject to conditions or not) the exercise of which would make him so entitled or he is under an obligation (whether or not so subject) the fulfilment of which would make him so entitled; and

- (v) a transfer of shares is an “excepted transfer” if, but only if:
  - (i) it is a transfer by way of, or pursuant to, acceptance of a takeover offer for the Company meaning an offer to acquire all the shares, or all the shares of any class or classes, in the Company (other than shares which at the date of the offer are already held by the offeror), being an offer on terms which are the same in relation to all the shares to which the offer relates or, where those shares include shares of different classes, in relation to all the shares of each class; or
  - (ii) a transfer which is shown to the satisfaction of the Directors to be made consequent to a sale of the whole of the beneficial interest in the shares to a person who is not affiliated with a Member and with any other person appearing to be interested in the shares; or

(iii) a transfer consequent to a sale made through the AIM market of the London Stock Exchange PLC, the London Stock Exchange or any stock exchange outside the United Kingdom on which the Company's shares of the same class as the default shares are normally traded.

(iii) The provisions of Regulations 152 and 153 are in addition to any and separate from other rights or obligations arising at law or otherwise.

152 (a) Where a Member:

(i) either:

(A) has acquired an interest in shares comprised in Relevant Share Capital or knows that any other person has acquired an interest in shares so comprised of which he is a registered holder, or

(B) ceases to be interested in shares comprised in Relevant Share Capital or knows that any other person has ceased to be interested in shares so comprised of which he is the registered holder (whether or not retaining an interest in other shares so comprised); or

(ii) either:

(A) becomes aware that he has acquired an interest in shares comprised in Relevant Share Capital or that any other person has acquired an interest in shares so comprised of which he is a registered holder; or

(B) becomes aware that he has ceased to be interested in shares comprised in Relevant Share Capital or that any other person has ceased to be interested in shares so comprised of which he is the registered holder; or

(iii) other than in circumstances set out in Regulations 152(a)(i) or (ii) either:

(A) is aware at the time when it occurs of any change of circumstances affecting facts relevant to the application of this Regulation to an existing interest of his in shares comprised in the Company's share capital of any description or an existing interest of any other person in shares so comprised of which he is the registered holder; or

(B) otherwise becomes aware of any such facts (whether or not arising from any such change of circumstances),

then (1) in the circumstances as set out in Regulation 152(a)(i) and (ii) he shall become obliged to notify the Company of his interests (if any), in its shares, and (2) in the circumstance as set out in Regulation 152(a)(iii) he shall become obliged, to the extent he is lawfully able to do so, to notify the Company of the interests of any other person in such shares of which he is the registered holder. In the case of (ii) only, to the extent a Member is not lawfully able to notify the Company of the interests of a person in shares of which he is the registered holder, such Member shall use his reasonable endeavours to procure that such person notifies his interests in such shares to the Company.

(b) A Member shall notify the Company of his interests (if any) in Relevant Share Capital if:

(i) he has a notifiable interest immediately after the relevant time, but did not have such interest immediately before that time;

(ii) he had a notifiable interest immediately before the relevant time, but does not have such an interest immediately after it; or

(iii) he had a notifiable interest immediately before the relevant time, and has such an interest immediately after it, but the percentage levels of his interest immediately before and immediately after that time are not the same.

- (c) A Member shall, to the extent he is lawfully able to do so, notify the Company of the interests of any other person in the Relevant Share Capital of which he is the registered holder (or, to the extent he is not lawfully able to make such notification, shall use his reasonable endeavours to procure that such person makes notification of his interests to the Company) if:
- (i) such person has a notifiable interest immediately after the relevant time, but did not have such an interest immediately before that time;
  - (ii) such person had a notifiable interest immediately before the relevant time, but does not have such an interest immediately after it; or
  - (iii) such person had a notifiable interest immediately before the relevant time, and has such an interest immediately after it but the percentage levels of his interest immediately before and immediately after that time are not the same.
- (d) Subject to the following sentence, “percentage level”, in Regulation 152 (b)(iii) and (c)(iii) shall mean the percentage figure found by expressing the aggregate nominal value of all the shares comprised in the Relevant Share Capital concerned in which the person has interests immediately before or (as the case may be) immediately after the relevant time as a percentage of the nominal value of that Relevant Share Capital and rounding that figure down, if it is not a whole number, to the next whole number. Where the nominal value of the Relevant Share Capital is greater immediately after the relevant time than it was immediately before, the percentage level of the person’s interest immediately before (as well as immediately after) that time is determined by reference to the larger amount.
- (e) For the purposes of Regulations 152(b), (c) and (d):
- (i) “relevant time” means:
    - (A) in a case within Regulations 152(a)(i) and 152(a)(iii)(A), the time of the relevant event or change of circumstances; and
    - (B) in a case within Regulations 152(a)(ii) or 152(a)(iii)(B) the time at which the person became aware of the facts in question;
  - (ii) a person who is interested in shares comprised in Relevant Share Capital has a “notifiable interest” at any time when the aggregate nominal value of the shares in the Relevant Share Capital in which he has such interests is equal to or more than 3 per cent. of the nominal value of that Relevant Share Capital.
- (f) Any notification required to be made by a Member under Regulation 152(b) and any notification which a Member is lawfully able to make under Regulation 152(c) must be made in writing to the Company within a period of 2 days following the day on which that obligation arises. To the extent a Member is not lawfully able to make a notification under Regulation 152(c), such member shall use its reasonable endeavours to procure that the relevant person notifies his interests to the Company within such 2 day period or within such longer period as the Directors may allow.
- (g) The notification shall specify the share capital of the Company to which it relates, and must also:
- (i) state the number of shares comprised in that share capital in which the person making the notification knows he (or any other relevant person) had interests immediately after the time when the obligation arose; or
  - (ii) in a case where the person making the notification (or any other relevant person) no longer has a notifiable interest in shares comprised in that share capital, state that he (or that other person) no longer has that interest.
- (h) A notification (other than one stating that a person no longer has a notifiable interest) shall include the following particulars, so far as known to the person making the notification at the date when it is made:

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- (i) the identity of each registered holder of shares to which the notification related and the number of such shares held by each of them; and
  - (ii) the nature of the relevant interests in such shares.
- (i) A person who has an interest in shares comprised in Relevant Share Capital or knows or becomes aware that any other person has an interest in shares so comprised of which he is the registered holder, that interest being notifiable, shall notify (or, to the extent he is not lawfully able to make such notification, shall use his reasonable endeavours to procure that such other person shall notify) the Company in writing:
- (i) of any particulars in relation to those shares which are specified in Regulation 152(h); and
  - (ii) of any change in those particulars,

of which in either case he becomes aware at any time after any interest notification date and before the first occasion following that date on which he comes under any further obligation of disclosure with respect to his interest in shares comprised in that share capital. A notification required under this Regulation shall be made within the period of 2 days next following the date on which it arises. The reference to an "interest notification date", in relation to a person's interest in shares comprised in the Company's Relevant Share Capital, is to either (A) the date of any notification made or procured by him with respect to his or any other person's interest under this Regulation or (B) where he has failed to make, or procure the making of, a notification, the date on which the period allowed for making it came to an end.

- (j) A person who at any time has a notifiable interest in shares is to be regarded under Regulation 152(i) as continuing to have a notifiable interest in them unless and until the registered holder of the shares in question comes under obligation to make or use his reasonable endeavours to procure a notification stating that he (or any other relevant person) no longer has such an interest in those shares.
- (k) Where a person authorises another (the "agent") to acquire or dispose of, on his behalf, interests in shares comprised in the Relevant Share Capital, he shall secure that the agent notifies him immediately of acquisitions or disposals effected by the agent which will or may give rise to any obligation of disclosure imposed on him by this Regulation with respect to his interest in that share capital.
- (l) If it shall come to the notice of the Directors that any Member has not, within the requisite period, made or, as the case may be, procured the making of any notification required by this Regulation, the Company may (at the absolute discretion of the Directors) at any time thereafter by notice (a "restriction notice") to such Member direct that, in respect of the shares in relation to which the default has occurred (the "default shares" which expression shall include any further shares which are issued in respect of any default shares), the Member shall not be entitled to be present or to vote on any question, either in person or by proxy, at any General Meeting of the Company or separate general meeting of the holders of any class of shares of the Company or to be reckoned in a quorum.
- (m) Where the default shares represent at least 0.25 per cent. (in nominal value) of the issued shares of the same class as the default shares, then the restriction notice may also direct that:
- (i) any dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interests on it; and shall be payable (when the restriction notice ceases to have effect) to the person who would but for the restriction notice have been entitled to them; and/or
  - (ii) where an offer of the right to elect to receive shares of the Company instead of cash in respect of any dividend or part thereof is or has been made by the Company, any election made thereunder by such Member in respect of such default shares shall not be effective; and/or

- (iii) no transfer of any of the shares held by any such Member shall be recognised or registered by the Directors unless:
      - (A) the transfer is an excepted transfer; or
      - (B) the Member is not himself in default as regards supplying the requisite information required under this Regulation and, when presented for registration, the transfer is accompanied by a certificate by the Member in a form satisfactory to the Directors to the effect that after due and careful enquiry the Member is satisfied that none of the shares the subject of the transfer are default shares.
  - (n) Upon the giving of a restriction notice its terms shall apply accordingly.
  - (o) The Company shall send a copy of the restriction notice to each other person appearing to be interested in the shares which are the subject of such notice, but the failure or omission by the Company to do so shall not invalidate such notice.
  - (p) Any restriction notice shall have effect in accordance with its terms until not more than seven days after the Directors are satisfied that the default in respect of which the restriction notice was issued no longer continues but shall cease to have effect in relation to any shares which are transferred by such Member. The Company may (at the absolute discretion of the Directors) at any time give notice to the Member cancelling or suspending for a stated period the operation of a restriction notice in whole or in part.
  - (q) A person, other than the Member holding a share, shall be treated as appearing to be interested in that share if the Member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member, or pursuant to a notice under Regulation 153(a), from anyone else) knows or has reasonable cause to believe that the person is or may be so interested.
- 153 (a) The Company may by notice in writing request any person whom the Company knows or has reasonable cause to believe to be or, at any time during the 3 years immediately preceding the date on which the notice is issued, to have been interested in shares comprised in the Relevant Share Capital:
- (i) to confirm that fact or (as the case may be) to indicate whether or not it is the case; and
  - (ii) where he holds or has during that time held an interest in shares so comprised, to give such further information as may be requested in accordance with Regulation 153(b).
- (b) A notice under Regulation 152(a) may request the person to whom it is addressed:
- (i) to give particulars of his own past or present interest in shares comprised in the Relevant Share Capital (held by him at any time during the 3 year period mentioned in Regulation 153 (a));
  - (ii) where the interest is a present interest and any other interest in the shares subsists or, in any case, where another interest in the shares subsisted during that 3 year period at any time when his own interest subsisted, to give (so far as lies within his knowledge) such particulars with respect to that other interest as may be requested by the notice including the identity of persons interested in the shares in question; and
  - (iii) where his interest is a past interest, to give (so far as lies within his knowledge) particulars of the identity of the person who held that interest immediately upon his ceasing to hold it.
- (c) A notice under Regulation 153(a) shall request any information given in respect to the notice to be given in writing within such time as may be specified in the notice, being a period of not less than 14 days following service thereof.

- (d) This Regulation applies in relation to a person who has or previously had, or is or was entitled to acquire, a right to subscribe for shares in the Company which would on issue be comprised in Relevant Share Capital as it applies in relation to a person who is or was interested in shares so comprised; and references above in this section to an interest in shares so comprised and to shares so comprised are to be read accordingly in any such case as including respectively any such right and shares which would on issue be so comprised.
- (e) If any Member or any other person appearing to the Directors to be interested in any shares in the share capital of the Company held by such Member has been served with a request notice under this Regulation 153 and has failed within the 14 day period prescribed therein to supply to the Company the information thereby requested, the Company may (at the absolute of the Directors) at any time thereafter by notice (a "restriction notice") to such Member direct that, in respect of the shares in relation to which the default has occurred (the "default shares" which expression shall include any further shares which are issued in respect of any default shares), the Member shall not be entitled to be present or to vote on any question, either in person or by proxy, at any General Meeting of the Company or separate general meeting of the holders of any class of shares of the Company or on a poll, or to be reckoned in a quorum.
- (f) Where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class, then the restriction notice may also direct that:
  - (i) any dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interests on it; and shall be payable (when the restriction notice ceases to have effect) to the person who would but for the restriction notice have been entitled to them; and/or
  - (ii) where an offer of the right to elect to receive shares of the Company instead of cash in respect of any dividend or part thereof is or has been made by the Company any election made thereunder by such Member in respect of such default shares shall not be effective; and/or
  - (iii) no transfer of any of the shares held by any such Member shall be recognised or registered by the Directors unless:
    - (A) the transfer is an excepted transfer; or
    - (B) the Member is not himself in default as regards supplying the requisite information required under Regulation 153(a) and, when presented for registration, the transfer is accompanied by a certificate by the Member in a form satisfactory to the Directors to the effect that after due and careful enquiry the Member is satisfied that none of the shares the subject of the transfer are default shares.
- (g) Upon the giving of a restriction notice its terms shall apply accordingly.
- (h) Where, on the basis of information obtained from a Member in respect of a share held by him, the Company issues a notice under Regulation 153(a) to another person, it shall at the same time send a copy of that notice to the Member, but the accidental omission to do so, or the non-receipt by the Member of the copy, does not invalidate or otherwise affect the application of Regulation 153(f).
- (i) The sanctions under Regulation 153(f) cease to apply seven days after the earlier of (i) receipt by the Company of notice of an excepted transfer, but only in relation to the shares thereby transferred; or (ii) receipt by the Company, in a form satisfactory to the Directors, of all the information required by the notice under Regulation 153(a).
- (j) The Company may (at the absolute discretion of the Directors) at any time give notice to the Member cancelling or suspending for a stated period the operation of a restriction notice in whole or in part.

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- (k) For the purposes of Regulation 153(a):
- (i) a person other than the Member holding a share shall be treated as appearing to be interested in that share if the Member has informed the Company that the person is or may be interested or if the Company (after taking account of information obtained from the Member, or pursuant to a notice under Regulation 152(a) from anyone else) knows or has reasonable cause to believe that the person is or may be so interested; or
  - (ii) reference to a person having failed to give the Company the information required by a notice under this Regulation 153, or being in default in supplying such information includes (A) reference to his having failed or refused to give all or any part of it, and (B) reference to his having given information which he knows to be false or having recklessly given information which is materially false or inaccurate.

154 Regulations 152 and 153 are in addition to and without prejudice to the Law.