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**Kindred Group plc**

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**Memorandum and Articles of  
Association**

Companies Act  
(Cap386 of the Laws of Malta)

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**CAMILLERI PREZIOSI**  
ADVOCATES

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Subject to AGM Approval

**MEMORANDUM OF ASSOCIATION  
OF  
KINDRED GROUP PLC**

**1. Name**

The name of the company is Kindred Group plc ("the Company").

**2. Status and Registered Office**

The Company is a public company.

The registered office of the Company shall be at Camilleri Preziosi, Level 2, Valletta Buildings, South Street, Valletta VLT 11, or at any other place in Malta as may be designated from time to time by the Board of Directors.

**3. Objects**

The objects of the Company, which are limited to activities outside of Malta, except for the holding of shares in any company or companies and/or partnerships registered, incorporated or otherwise constituted in Malta, and to such other acts as are necessary for its operations from Malta, are:

- (i) to carry on the business of a holding company, owning, holding and managing in the most ample manner assets of any kind, movable or immovable, including shares, stock, bonds and debentures and other types of investments in other partnerships and entities;
- (ii) to invest and deal with monies of the Company in any manner deemed profitable by the Company;
- (iii) to receive capital contributions in whatever form or manner as the directors of the Company may agree on;
- (iv) to participate in share issues of all kinds and to provide services relating to such issues;
- (v) to purchase, take on lease, or acquire by any title including emphyteusis and sub-emphyteusis any immovable property, which may be required for the purpose of conducting its business;
- (vi) to sell, lease, hypothecate or otherwise dispose of the whole or any part of the property, assets and undertakings of the Company;
- (vii) to apply for and register as a company with any stock exchange and to list all or any part of its share capital on any such stock exchange subject to the rules and regulations governing the listing of shares applicable in the relevant jurisdiction;
- (viii) to receive from the investments and assets mentioned in the foregoing paragraphs dividends, capital gains, interests and any other income including income or gains on their disposal, rents, royalties and similar income whether arising in or outside Malta and profits or gains attributable to a permanent establishment (including a branch) whether situated in or outside Malta;
- (ix) to do all such other things as are incidental or conducive to the attainment of the abovementioned objects;

Provided that nothing in the foregoing shall be construed as enabling or empowering the Company to carry on the business of Financial Services as defined in the Banking Act 1994 (Cap.371 of the Laws of Malta), the Financial Institutions Act 1994 (Cap.376 of the Laws of Malta) and the Investment Services Act 1994 (Cap.370 of the Laws of Malta).

Provided further that nothing in the foregoing objects of the Company shall be construed as enabling the Company to exercise investment discretion on behalf of another party; or to manage or give advice relating to any investment portfolio belonging to another party; or to buy, sell, hold, market, advertise, subscribe for, underwrite or otherwise handle any security or investment vehicle as agent; or to act in the capacity of an insurance agent or broker.

#### 4. Limited Liability

The liability of the shareholders is limited in the case of each member to the amount, if any, unpaid on the share or shares held by him in the company.

#### 5. Share Capital

The authorized share capital of the Company is GBP1,000,000 divided into 1,600,000,000 ordinary shares of GBP0.000625 each. All ordinary shares in the company shall carry voting rights.

~~The Company shall have the right to issue warrants to bearer in respect of its fully paid shares stating that the bearer of the warrant is entitled to the shares therein specified and may provide, by coupons or otherwise for the payment of future dividends or shares included in the warrant.~~

The issued share capital of the Company shall thus be GBP 143,828.88 divided into two hundred thirty million, one hundred twenty-six thousand, two hundred (230,126,200) ordinary shares of a nominal value of GBP0.000625 each, all of which have been subscribed for and allotted, and which have been paid up as follows:

HSBC Global Custody Nominee (UK) Limited 228660 8, Canada Square, London, E14 5HQ United Kingdom	230,126,136 Ordinary Shares of GBP0.000625 each, fully paid up
Inga Lundberg Swedish Passport Number 23675876 Flat 6 Kings Court, Kings Road, Wimbledon, London United Kingdom, SW19 0QP	64 Ordinary Shares of GBP0.000625 each, fully paid up

#### 6. Board of Directors

The affairs of the Company shall be managed and administered by a Board of Directors consisting of not less than three (3) and not more than twelve (12) in number.

The directors of the Company are:

Anders Ström

[Swedish](#) Passport number: 45786066

Flat H, 3 West Eaton Place, London SW1X 8LU

Peter Boggs

[American](#) Passport number: 712439181

Moulinard House, Tain, Ross-Shire, IV19 INF, Scotland

[Kristoffer Arwin](#)

[Passport number: 45635537](#)

[Borgvägen 35, SE-19255 Sollentuna, Sweden](#)

[Nigel Cooper](#)

[Passport number: 099142215](#)

[35, Richmond Hill, Richmond, Surrey, TW10 6RE, United Kingdom](#)

Stefan Lundborg

[Swedish](#) Passport number: 34728856

Öselvägen 3, Enskede Gård, SE-12047 Stockholm, Sweden

[Anna Helene Elisabeth Barnekow](#)

[Swedish Passport number: 92582219](#)~~Sophia Bendz~~

[Passport number: 86266491](#)

[Bodalsvagen 33, Lidingö, Stockholm Se-18136, Sweden](#)

[Styrmansgatan 3, Stockholm SE-114 54, Sweden](#)~~Peter Friis~~

[Passport number: 206270631](#)

[Fuglebakkevej 76, Frederiksberg 2000, Denmark](#)

[Gunnel Ellinor Duveblad](#)

[Swedish Passport Number: 90900525](#)

[Batsmansvägen 4, Danderyd SE-182 33, Sweden](#)

[Erik Forsberg](#)

[Swedish Passport number: 91980656](#)

[Norevägen 38, 182 64 Djursholm, Sweden](#)

[Carl-Magnus Månsson](#)

[Swedish Passport number: 95601262](#)

[Maria Skolgata 77 A, 118 53 Stockholm, Sweden](#)

## 7. Company Secretary

The Company Secretary shall be Louis de Gabriele (ID 136664M), 55, Triq il-Barmil, Victoria Gardens, Ibragg, Swieqi, Malta and Donald Vella (ID 579782M), Amber Court, Flat 5, Triq it-Tabib Gregorio Mifsud, Qrendi, Malta.

#### 8. Legal and Judicial Representation

Subject to the provisions in the Articles of Association of the Company, legal and judicial representation of the company shall vest in any two directors jointly.

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**Donald Vella**  
Company Secretary

### ARTICLES OF ASSOCIATION OF KINDRED GROUP PLC

#### Interpretation

- 1 The regulations contained in the First Schedule to the Act (the "First Schedule") shall not apply to the Company, and the Company's Articles of Association shall be the Articles set out hereunder.
- 2 In these Articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively:

the "Act"	The Companies Act 1995, Cap.386 of the Laws of Malta
"Listed"	Admitted to the official list of Stockholmsbörsen or any other recognised market
"Articles"	The Articles of Association of the Company as from time to time altered

"Office"	The registered office of the Company for the time being
"Register"	The register of members of the Company
"month"	Calendar month
"year"	Calendar year
"in writing"	Written or produced by any substitute for writing or partly one and partly another including (but only to the extent that (a) the Directors so resolve, either generally or in relation to particular categories of document
"paid"	Paid or credited as paid
"Memorandum"	The Memorandum of Association of the Company
"Transfer Office"	The place where the Register is situate for the time being

The expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder".

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary including, but not limited to, a joint, assistant or deputy Secretary.

The expression "officer" shall include a Director, manager and the Secretary but shall not include an auditor.

The expression "shareholders meeting" shall include both a General Meeting and a meeting of the holders of any class of shares of the Company.

All such of the provisions of these Articles as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. The word "person" includes a body of persons.

An Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provisions of these Articles.

## SHARE CAPITAL

### **3 Increase of share capital**

The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of the Act and these Articles with reference to allotment, payment of calls, transfer, transmission, forfeiture and otherwise.

### **4 Consolidation, subdivision and cancellation**

4.1 The Company may by Ordinary Resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) 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 diminish the amount of its capital by the amount of the shares so cancelled;
- (c) subdivide its shares or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Act) and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

4.2 Whenever as a result of a consolidation or subdivision of shares any members would become entitled to fractions of a share, the Directors may, on behalf of those members sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the Directors may authorize some person to transfer the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

**5 Purchase of own shares**

5.1 Subject to the provisions of the Act and without prejudice to article 24 of the Articles, the Company may purchase or may enter into a contract under which it will or may purchase, any of its own shares of any class (including any redeemable preference shares) but so that if there shall be in issue any shares convertible into equity share capital of the Company of the class proposed to be purchased, then the Company shall not purchase, or enter into a contract under which it will or may purchase, such equity shares unless either:

- (a) the terms of issue of such convertible shares include provisions permitting the Company to purchase its own equity shares; or
- (b) the purchase, or the contract, has first been approved by an Extraordinary Resolution passed at a separate meeting of the holders of such convertible shares.

5.2 The Company may not exercise any right in respect of shares held by it, including any right to attend or vote at meetings, to participate in any offer by the Company to shareholders or to receive any distributions (including in a winding-up), but without prejudice to its right to sell the shares, to receive an allotment of shares as fully paid bonus shares in respect of the shares or to receive any amount payable on redemption of any redeemable preference shares.

**6 Reduction of Capital**

Subject to the provisions of the Act, the Company may by Extraordinary Resolution reduce

its share capital, share premium account, capital redemption reserve or other undistributable reserve in any way.

## SHARES

### 7 Rights attaching to shares on issue

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine).

#### 7A Dematerialisation of securities

7A.1 The Directors may if they so deem fit, cause any of the securities of the Company, irrespective of their class, whether issued or to be issued pursuant to these Articles, to be dematerialised.

7A.2 Any securities dematerialised in accordance with this article shall be dematerialised and registered with the Malta Stock Exchange (Borża ta' Malta) and / or the Swedish Central Securities Depository (Euroclear Sweden) and / or any other Central Securities Depository as may be allowed by the applicable law.

7A.3 Notwithstanding any other provision of these Articles, for as long as any of the securities issued by the Company shall be and remain dematerialised under the Financial Markets Act (Chapter 345 of the Laws of Malta):-

(a) terms and conditions relating to such securities, including without prejudice to the generality of the foregoing, their issuance, transfer, exchange, redemption and/or cancellation, shall be governed in accordance with the applicable rules and procedures set out by the relevant central securities depository providing dematerialisation and any other provisions of these articles shall apply only to the extent that they are not inconsistent with such rules and procedures; and

(b) any amendment, variation or deletion of this Article shall be subject to the express written approval of the relevant central securities depository providing dematerialisation which shall be obtained prior to the convening of an extraordinary general meeting at which such proposed amendment shall be put to the vote.

7A.4 In relation to any such dematerialised shares, the register of members of the Company shall be updated with any changes thereto according to applicable law by the relevant central securities depository in the form of a central securities depository register.

### 8 Preference Shares

Subject to the provisions of article 115 of the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the option of



the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may by extraordinary resolution determine.

**9 Directors' power to allot securities**

Subject to the provisions of the Act relating to authority, pre-emption rights and otherwise and of a resolution of the Company in General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

**10 Commissions on issue of shares**

The Company may exercise the powers of paying commissions or of making discounts or allowances provided it complies with Article 113 of the Act. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

**11 Renunciation of allotment**

The Directors may, subject to such terms and conditions as the Directors may think fit to impose, at any time after the allotment of any share but before any person has been entered in the Register as the holder recognize a renunciation thereof by the allottee in favour of some other person and accord to any allottee of a share a right to effect such renunciation.

**12 Trust and other interests not recognised**

No persons shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognize any interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the holder.

**SHARE CERTIFICATES**

**13 Issue of share certificates**

Every person whose name is entered in the Register in respect of shares shall upon the issue or transfer or transmission to him of such shares be entitled without payment to a certificate thereof (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer or transmission of fully-paid shares) within five business days after lodgment of the transfer or notice of transmission or (in the case of a transfer or transmission of partly-paid shares) within two months after lodgment of the transfer.

**14 Form of share certificate**

Every share certificate shall be executed by the Company in such manner as the Directors may decide and shall specify the number and class of shares to which it related and the amount paid up thereon. No certificate shall be issued representing shares of more than one class.

## **15 Joint holders**

In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate thereof and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

## **16 Replacement of share certificates**

16.1 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without change.

16.2 If any member surrenders for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.

16.3 If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exception out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.

16.4 In the case of shares held jointly by several persons any such request may be made by anyone of the joint holders.

## **16A Share Certificates in relation to Dematerialised Shares**

Notwithstanding any other provision in these Articles of Association, no person shall be entitled to receive a certificate in respect of any share which has been issued by the Company for so long as the title to a share is evidenced in a dematerialised and uncertificated form by book-entry electronic records.

## **CALLS ON SHARES**

### **17 Power to make calls**

The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares but subject always to the terms of allotment of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed and may be made payable by instalments.

### **18 Liability for calls**

Each member shall, subject to be given at least 14 days' notice in writing specifying the time or times and place of payment, pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be wholly or partly revoked or postponed as the Directors may determine

### **19 Interest on overdue amounts**

If a sum called in respect of a share is not paid before or on the day appointed for payment

thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding six percentage points over the Central Bank of Malta minimum discount rate) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

**20 Other sums due on shares**

Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of allotment the same becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**21 Power to differentiate between holders**

The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

**22 Payment of calls in advance**

The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate not exceeding [six] percentage points over the Central bank of Malta minimum discount rate, as the member paying such sum and the Directors may agree.

**FORFEITURE AND SURRENDER OF SHARES**

**23 Notice of failure to pay a call**

23.1 If a member fails to pay in full any call or instalment of a call on or before the due date for payment thereof, the Directors may at any time thereafter serve a notice in writing on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment

23.2 The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be forfeited.

**24 Forfeiture for non-compliance and deemed transfer notice**

24.1 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a

resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

24.2 The Directors shall have power (but shall not be under any duty) to impose such measures as they may think necessary for the purpose of ensuring that shares in the Company, other than shares which have been dematerialized, are not held, transferred, issued or allotted to a resident in Malta.

24.3 The Directors may upon an application for a transfer of shares or on a transfer of shares or at any other time and from time to time require such evidence or declarations to be furnished to them in connection with the matters stated in Article 24.2 as they shall in their discretion deem sufficient.

24.4 Subject to the provisions of the Act, if at any time the Company receives notice of a transfer of shares or if an instrument of transfer is lodged with the Company ("the Original Transfer") and the Directors have reasonable cause to believe that the transferee is resident in Malta ("the Original Transferee"), the receipt of the notice or of the instrument of transfer shall be deemed to constitute an offer to the Company to acquire the shares therein mentioned in the course of a reduction in capital in accordance with Article 107(1)(a) of the Act. The Original Transferee and the Company shall complete an instrument of transfer and the Company shall immediately proceed to register the transfer in its Register. The Company shall pay to the aforementioned transferee, a cash amount representing the market value of the shares established by an auditor.

Provided that when shares in the Company constitute the underlying assets of instruments or securities which are admitted to trading on a regulated market, the value of the shares and the cash amount to be paid in accordance with the provisions of this article shall be equal to the market value of such instruments at the time of the deemed offer.

24.5 Subject to the provisions of the Act, if a non-resident member becomes resident in Malta, the shares held by such member ("the resident Transferee") shall be transferred to the Company, which shall acquire the shares in the course of a reduction of capital in accordance with Article 107(1)(a) of the Act. The resident Transferee and the Company shall complete an instrument of transfer as required in terms of these Articles.

Provided that between the time the transfer instrument is executed in accordance with article 24.6 and the time when the resident Transferee shall have become resident in Malta, the resident Transferee shall be deemed to be holding the shares for and on behalf of the Company.

The Company shall pay to the aforementioned transferee, a cash amount representing the market value of the shares established by an auditor.

Provided that when shares in the Company constitute the underlying assets of instruments or securities which are admitted to trading on a regulated market, the value of the shares and the cash amount to be paid in accordance with the provisions of this article shall be equal to the market value of such instruments at the time of the deemed offer.

24.6 The Company shall be deemed to have been irrevocably appointed as the lawful attorney of the Original Transferee and the resident Transferee in connection with a deemed transfer under article 24.4 or 24.5 and may, as such, sign the relative transfer instrument on behalf of the Original Transferee or the resident Transferee, as the case may be, and do such things as may be incidental thereto. In the event that the Company acts in terms of this mandate it shall, offer the price as established in accordance with article 24.4 or 24.5, to the Original Transferee or the resident Transferee, as the case may be, and if he refuses or fails to accept

the same, the price shall be held by the Company on trust for the Original Transferee or the resident Transferee, as the case may be.

- 24.7 In this Article "resident in Malta" shall mean any person who for the purposes of the Income Tax Act, Chapter 123 of the Laws of Malta, is deemed to be:
- i) an individual resident in Malta; or
  - ii) subject to article 24.8 a person or entity in respect of which an individual resident in Malta is beneficially entitled, directly or indirectly, to all or a part of its profits or a person or entity that acts on behalf of, any person resident in Malta.
- 24.8 Notwithstanding article 24.7(ii), neither the 'Sub-Custodian' nor the 'Custodian' as such expressions are defined in a Custodian Agreement dated on or around the date of adoption of these articles and made between the Company and Skandinaviska Enskilda Banken AB (publ) shall be deemed to be resident in Malta for the purpose of these articles.
- 24.9 In this Article "transfer" includes any assignment, conveyance, sale, partition, donation, settlement of dowry, sale by instalments, settlement on trust and any other transfer under any other title whatsoever whether *inter vivos* or *cause mortis*.
- 24.10 The provisions of articles 24.2 to 24.6 shall not apply to dematerialized shares of the Company.

## **25 Disposal of forfeited shares**

A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorize some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

## **26 Holder to remain liable despite forfeiture**

A person whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares and shall surrender to the Company for cancellation the certificate for such shares. He shall nevertheless remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at a rate not exceeding six percentage points over the Central Bank of Malta minimum discount rate (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment. The Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal. They may also waive payment in whole or in part.

## **27 Evidence of forfeiture**

A declaration that the declarant is a Director or the Secretary and that a share has been duly forfeited or surrendered 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. Such declaration shall (subject to the relevant share transfer being made, if the same be required) constitute a good title to the share. The person to whom the share is sold, re-

allotted or disposed of shall not be bound to see to the application of the consideration (if any). The title of such person to the share shall not be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

## VARIATION OF RIGHTS

### 28 Manner of variation of rights

- 28.1 Whenever the share capital of the Company is divided into different classes of shares, the change of any shares from one class into another or the variation of the rights attached to any class (unless provided by the terms of issues of the shares of that class) may, whether or not the Company is being wound up, be made with the consent in writing of the holders of three-fourths ( $\frac{3}{4}$ ) in nominal value of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up.
- 28.2 To every such separate meeting all the provisions of these Articles relating to General Meetings and to proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him.
- 28.3 The foregoing provisions of this article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

### 29 Matters not constituting variation of rights

The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by (a) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto or (b) the purchase or redemption by the Company of any of its own shares.

## TRANSFER OF SHARES

### 30 Form of Transfer and Balance Certificate

- 30.1 All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in

respect thereof. All instruments of transfer which are registered may be retained by the Company.

- 30.2 Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares shall be issued in lieu without charge.

### **31 Right to refuse registration**

- 31.1 The Directors may decline to recognize an instrument of transfer relating to shares unless it is in respect of only one class of share and is lodged at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer of shares by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgment of the share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.
- 31.2 The Directors may, in their absolute discretion and without assigning any reason thereof refuse to register any transfer of shares (not being fully-paid shares) provided that, where any such shares are listed, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.
- 31.3 The Directors may also refuse to register an allotment or transfer of shares (whether fully-paid or not) in favour of more than four persons jointly.
- 31.4 If the Directors refuse to register an allotment or transfer of shares they shall within two months after the date of which the letter of allotment or instrument of transfer was lodged with the Company send to the allottee or transferee notice in writing of the refusal.

### **32 No fee on registration**

No fee will be charged by the Company in respect of the registration of any transfer or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

### **33 Closure of Register**

Without prejudice to the provisions of the Act, the registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Directors may from time to time determine and either generally or in respect of any class of shares.

### **34 Branch Register**

Subject to and to the extent permitted by the Act, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

### **34A Transfer of dematerialised shares**

Notwithstanding any other provision in these Articles of Association, the transfer of dematerialised shares shall be subject to the applicable laws, rules, regulations and bye-laws

of the relevant central securities depository. Furthermore, the said shares shall be eligible for electronic trading and settlement in accordance with the said rules and regulations.

## **TRANSMISSION OF SHARES**

### **35 Persons entitled on death**

In case of the death of a member, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased member (whether sole or joint) from any liability in respect of any share held by him.

### **36 Election by persons entitled by transmission**

A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing to that effect or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles 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 notice or transfer were a transfer made by the member registered as the holder of any such share.

### **37 Rights of persons entitled by transmission**

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to shareholders' meetings until he shall have been registered as a member in respect of the share.

## **UNTRACED SHAREHOLDERS**

### **38 Untraced Shareholders**

38.1 The Company shall be entitled to sell at the best price reasonably obtainable at the time of sale the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that:

- (a) during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph 38.1(b) below (or, if published on different dates, the first thereof) at least three dividends in respect of the shares have become payable and no dividend in respect of those shares has been claimed; and



- (b) the Company shall on expiry of such period of 12 years have inserted advertisements in both a national newspaper and in a newspaper circulating in the area in which the last known postal address of the member or the postal address at which service of notices may be effected under these Articles is located giving notice of its intention to sell the said shares; and
- (c) during the period of three months following the publication of such advertisements the Company shall have received no communication from such member or person.
- 38.2 To give effect to any such sale the Company may appoint any person to transfer, as transferor, the said shares and such transfer shall be as effective as if it had been carried out by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

## GENERAL MEETINGS

### 39 Annual and Extraordinary General Meetings

An Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings. All General Meetings shall be held in Malta or Sweden.

### 40 Convening of General Meetings

The Directors may whenever they think fit, and shall on requisition in accordance with the Act, proceed with proper expedition to convene an Extraordinary General Meeting.

## NOTICE OF GENERAL MEETINGS

### 41 Notice of General Meetings

An Annual General Meeting and any Extraordinary General Meeting, shall be called by 21 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these Articles entitled to receive such notices from the Company provided that the Company may determine that only those persons entered on the Register at the close of business on a day determined by the Company, such day being

no more than 21 days before the day that notice of the meeting is sent, shall be entitled to receive such a notice.

Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed by all the members entitled to attend and vote thereat.

Provided further, that 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.

## **42 Contents of notice of General Meetings**

- 42.1 Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him and that a proxy need not be a member of the Company.
- 42.2 The notice shall specify the general nature of the business to be transacted at the meeting; and if any resolution is to be proposed as an Extraordinary Resolution the notice shall contain a statement to that effect.
- 42.3 In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- 42.4 For the purposes of determining which persons are entitled to attend or vote at a meeting and how many votes such person may cast, the Company may specify in the notice of the meeting a time, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting.
- 42.5 The obligation to serve a notice of a general meeting to holders of dematerialised shares may, if permitted in terms of applicable laws and regulations, be satisfied if such notice is: (i) published in at least one Swedish national daily newspaper and on the Company's web-page in English and in Swedish; and (ii) it is served in a physical form at the relevant central securities depository. The notification shall include:
  - (a) the Company's name and registration number;
  - (b) the type of shareholders' meeting to be held;
  - (c) the time and location of the shareholders' meeting;
  - (d) information on how to locate the convening notice in full and the agenda of the shareholders' meeting on the Company's website;
  - (e) the record date for shareholders; and
  - (f) instructions regarding any measures to be taken by shareholders in order to be able to vote at the shareholders meeting by attending the meeting in person or to authorise a person to attend and vote on such shareholder's behalf.

Any amendment, variation or deletion of this Article shall be subject to the express written approval of the relevant central securities depository providing dematerialisation obtained.

## PROCEEDINGS AT GENERAL MEETINGS

### 43 Chairman

At any General Meeting the Chairman of the Directors, failing whom a Deputy Chairman, failing whom any Director present and willing to act and, if more than one, chosen by the Directors present at the meeting, shall preside as chairman. If no Director is present within fifteen minutes after the time appointed for holding the meeting and willing to act as chairman, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.

### 44 Quorum

No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

### 45 Lack of quorum

If within fifteen minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such day, time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine, provided that the adjourned meeting shall be held at least ten (10) days after the final convocation is issued.

### 46 Adjournment

The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (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 except business which might lawfully have been transacted at the meeting from which the adjournment took place.

### 47 Notice of adjourned meeting

When a meeting is adjourned for 30 days or more, not less than seven days' notice of the adjourned meeting shall be given in accordance, *mutatis mutandis*, with Articles 41 and 42. Otherwise it shall not be necessary to give any such notice.

### 48 Amendments to resolutions

If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as an Extraordinary Resolution, no amendment thereto (other

than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

## **POLLS**

### **49 Demand for poll**

49.1 At any General Meeting a resolution put to the vote of the meeting shall be decided in accordance with Articles 53 and 54 unless a poll is (before a resolution is put to the vote on a show of hands, or on the declaration of the result of, the show of hands) demanded by.

(a) the chairman of the meeting or

(b) any member present in person or by proxy and entitled to vote.

49.2 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

### **50 Procedure on a poll**

A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

### **51 Voting on a poll**

On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

### **52 Timing of poll**

A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

## **VOTES OF MEMBERS**

### **53 Votes attaching to shares**

Subject to Article 42.4 and to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares on any vote, however conducted, every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

### **54 Voting procedure**

The chairman may, in such manner as he sees fit (including by a show of hands either simultaneously or sequentially), ask those members present in person or by proxy, to vote in favour of or against the proposed resolution. The chairman shall declare the result of the vote when he has satisfied himself that the appropriate majority has been reached either in favour of or against the resolution and if he is not otherwise able to determine the result, he shall call a poll.

**55 Votes of joint holders**

In the case of joint holders of a share 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 in respect of the share.

**56 Chairman's casting vote**

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 casting vote in addition to any other vote he may have.

**57 Restriction on voting in particular circumstances**

No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings if any call or other sum presently payable by him to the Company in respect of that share remains unpaid.

**58 Voting by Curator**

Where in Malta or elsewhere a curator, guardian, receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such guardian, receiver or other person on behalf of such member to vote in person or by proxy at any shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings.

**59 Validity and result of vote**

59.1 No objection shall be raised as to the qualification of any voter or the admissibility of any vote except at the meeting or adjourned meeting at which the vote is tendered. Every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

59.2 Unless a poll is taken a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

**PROXIES AND CORPORATE REPRESENTATIVES**

**60 Proxy need not be a member**

A proxy need not be a member of the Company.

**61 Form of proxy**

The appointment of a proxy must be in writing in any usual or common form or in any other form which the Directors may approve and:

- (a) In the case of an individual must either be signed by the appointor or his attorney or comply with Article 126; and
- (b) In the case of a corporation must be signed on its behalf by an attorney or a duly authorised officer of the corporation or comply with Article 126.

The signature on such appointment need not be witnessed. Where appointment of a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a copy thereof certified notarially or in some other way approved by the Directors must (failing previous registration with the Company) be submitted to the Company, failing which the appointment may be treated as invalid.

**62 Deposit of form of proxy**

The appointment of a proxy must be received at such address or one of such addresses (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no address is so specified, must be left at the Transfer Office) not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The appointment shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An appointment relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

**63 Rights of proxy**

A proxy shall have the right to demand or join in demanding a poll and shall also have a right to speak at the meeting.

**64 Revocation of proxy**

A vote cast or demand for a poll made by proxy shall not be invalidated by the previous death or insanity of the member or by the revocation of the appointment of the proxy or of the authority under which the appointment was made unless notice in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

**65 Corporations acting by representatives**

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 shareholders' meeting. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

## **DIRECTORS**

### **66 Number of Directors**

Subject as hereinafter provided the Directors shall not be less than 3 nor more than 12 in number. The Company may by Ordinary Resolution from time to time vary the minimum number and/or maximum number of Directors.

### **67 Share qualification**

A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at shareholders' meetings.

### **68 Directors' fees**

The ordinary remuneration of the Directors shall from time to time be determined by the Directors except that such remuneration shall not exceed an aggregate amount per annum as may from time to time be determined by Ordinary Resolution of the Company and shall be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

### **69 Other remuneration of Directors**

Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine.

### **70 Directors' expenses**

The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or shareholders' meetings or otherwise in connection with the business of the Company.

### **71 Directors' pensions and other benefits**

The Directors shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

### **72 Appointment of executive Directors**

- 72.1 The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Act) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.
- 72.2 The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- 72.3 The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

### **73 Powers of executive Directors**

The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

### **74 Retirement at Annual General Meetings**

- 74.1 A Director shall retire at any Annual General Meeting if he has agreed to do so and, unless the Directors have agreed otherwise, he shall not be eligible for re-election.
- 74.2 In addition, each Director shall retire at each Annual General Meeting but, unless he falls within paragraph 74.1 above, he shall be eligible for re-election.

### **75 Election of two or more Directors**

A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it. Any resolution moved in contravention of this provision shall be void.

### **76 Nomination of Director for election**

No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any General Meeting unless not less than seven nor more than 42 days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) 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 the person to be



proposed of his willingness to be elected.

**77 Election or appointment of additional Director**

The Company may by Ordinary Resolution elect, and without prejudice thereto the Directors shall have power at any time to appoint, any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for election.

**78 Vacation of office**

The office of a Director shall be vacated in any of the following events, namely:

- (a) if he shall become prohibited by law from acting as a Director;
- (b) if he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer;
- (c) if a bankruptcy or insolvency order is made against him in any jurisdiction or shall compound with his creditors generally;
- (d) if an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a curator/guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- (e) if he shall be absent from meetings of the Directors for six months without leave and the Directors shall resolve that his office be vacated; or
- (f) if a notice in writing is served upon him, signed by not less than three-quarters of the Directors for the time being, to the effect that his office as Director shall on receipt of such notice *ipso facto* be vacated, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

**79 Removal of Director**

The Company may in accordance with and subject to the provisions of the Act by Ordinary Resolution remove any Director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and elect another person in place of a Director so removed from office.

**MEETINGS AND PROCEEDINGS OF DIRECTORS**

**80 Convening of meetings of Directors**

80.1 Subject to the provisions of these Articles the Directors may meet together for the dispatch of business, adjourn and otherwise regulate their proceedings as they think fit. At any time any Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Any Director may waive notice of any meeting and any such waiver may be retroactive. ~~No meeting of the Directors shall be held in the United Kingdom.~~

80.2 The Directors shall be deemed to meet together if, being in separate locations, they are nonetheless linked by conference telephone or other communication equipment ~~that which~~ allows those participating to hear and speak to each other, and a quorum in that event shall be three Directors so linked (provided that any meeting shall only be quorate if a majority of the Directors present are non-executive). ~~Such a meeting shall be deemed to take place where the largest group of Directors participating is assembled or, if there is no such group, where the chairman of the meeting then is.~~

~~Provided that a Director shall not be entitled to participate in a meeting of the Directors by means of conference telephone or other communication equipment where such Director is physically present in the United Kingdom.~~

## **81 Quorum**

The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be three (provided that any meeting shall only be quorate if a majority of the Directors present are non-executive). A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

## **82 Chairman**

82.1 The Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

82.2 If at any time there is more than one Deputy Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

## **83 Casting vote**

Questions arising at any meeting of the Directors shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

## **84 Number of Directors below minimum**

The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling such vacancies or of summoning General Meetings, but not for any other purpose. If there be no

Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

**85 Written resolutions**

A resolution in writing signed by all the Directors entitled to vote thereon (being not less in number than a quorum for meetings of the Directors) shall be as valid and effectual as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form each signed by one or more Directors.

**86 Validity of proceedings**

All acts done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a Director or as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee or subcommittee and had been entitled to vote.

**DIRECTORS' INTERESTS**

**87 Directors may have interests**

Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any interest of his, a Director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- (c) may (or any firm of which he is a partner, employee or member may) act in a professional capacity for the Company (other than as Auditor) and be remunerated therefor, and
- (d) shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate or for such remuneration and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit

**88 Restrictions on voting**

88.1 Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of interests in shares or debentures or other securities of, or otherwise in or through,

the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is not entitled to vote.

88.2 Subject to the provisions of the Act, a Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

- (a) the giving of any security, guarantee or indemnity in respect of
  - (i) money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings or
  - (ii) a debt or other obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security,
- (b) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- (c) any proposal concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he does not have an interest in one per cent or more of the issued equity share capital of any class of such body corporate (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (d) any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; and
- (e) any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors.

88.3 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under paragraph 88.2(c) above) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

88.4 If a question arises at any time as to the materiality of a Director's interest or as to his entitlement to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fairly disclosed.

**89 Directors' interests - general**

For the purposes of the two preceding Articles:

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any contract, transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such contract, transaction or arrangement of the nature and extent so specified;
- (b) an interest of a person who is connected with a Director shall be treated as an interest of the Director; and
- (c) an interest (whether of his or of such a connected person) of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his;
- (d) a person shall be deemed to be connected with a Director of the Company if, he (not being himself a director of it) is:
  - (i) that Director's spouse, civil partner, child or step-child; or
  - (ii) except where the context, otherwise requires, a body corporate with which the Director is associated; or
  - (iii) a person acting in his capacity as trustee of any trust the beneficiaries of which include (i) and (ii) above, or of a trust whose terms confer a power on the trustees that may be exercised for the benefit of the Director, his spouse or civil partner, or any children or step-children of his or any such body corporate; or
  - (iv) a person acting in his capacity as partner of that Director or of any person who, by virtue of (i), (ii) and (iii) above is connected with that Director.
- (e) in paragraph (d):
  - (i) a reference to the child or step-child of any person includes an illegitimate child of his, but does not include any person who has attained the age of 18; and
  - (ii) paragraph (d)(iii) does not apply to a person acting in his capacity as trustee under an employees' share scheme or a pension scheme.
  - (iii) A Director of the Company shall be deemed to be associated with a body corporate if, but only if he and the person connected with him together:
    - 1. are interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least one-fifth of that share capital (excluding any shares held as treasury shares); or
    - 2. are entitled to exercise or control the exercise of more than one-fifth of the voting power at any general meeting of that body (excluding any voting rights attached to any shares in the company held as treasury shares).
  - (iv) A Director shall be deemed to control a body corporate if, but only if:
    - 1. he or any person connected with him is interested in any part of the equity share capital of that body or is entitled to exercise or control the exercise of any part of the voting power at any general meeting of that body; and

2. that Director, the persons connected with him and the other Directors of the Company, together, are interested in more than one-half of that share capital (excluding any shares in the company held as treasury shares) or are entitled to exercise or control the exercise of more than one-half of the voting power (excluding any voting rights attached to any shares in the company held as treasury shares).
- (v) For the purposes of e(iii) and e(iv):
1. a body corporate with which a director is associated is not to be treated as connected with that director unless it is also connected with him by virtue of paragraph (d)(iii) and (d)(iv) above; and
  2. a trustee of a trust the beneficiaries of which include (or may include) a body corporate with which a Director is associated is not to be treated as connected with a Director by reason only of that fact.
- (vi) References in these subsections to voting power the exercise of which is controlled by a Director include voting power whose exercise is controlled by a body corporate controlled by him; but this is without prejudice to other provisions of subsections (iii) and (iv) of this paragraph.

## COMMITTEES OF THE DIRECTORS

### 90 Appointment and constitution of committees

The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees. Any such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to subcommittees any of the powers or discretions delegated to it. Any such committee or sub-committee shall consist of one or more Directors and (if thought fit) one or more other named person or persons to be coopted as hereinafter provided. Insofar as any such power or discretion is delegated to a committee or subcommittee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee or sub-committee. Any committee or sub-committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee or sub-committee of persons other than Directors and may provide for members who are not Directors to have voting rights as members of the committee or sub-committee. ~~No committee or subcommittee of the Directors shall meet in the United Kingdom.~~

### 91 Proceedings of committee meetings

The meetings and proceedings of any such committee or sub-committee consisting of two or more persons shall be governed *mutatis mutandis* by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not

superseded by any regulations made by the Directors under the last preceding Article.

## **POWERS OF DIRECTORS**

### **92 General powers**

The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting subject nevertheless to any regulations of these Articles, to the provisions of the Act and to such regulations as may be prescribed by Extraordinary Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

### **93 Local boards**

The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Malta or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

### **94 Appointment of attorney**

The Directors may from time to time and at any time appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such appointment may contain such 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 sub-delegate all or any of the powers, authorities and discretions vested in him.

### **95 President**

The Directors may from time to time elect a President of the Company and may determine the period for which he shall hold office. Such President may be either honorary or paid such remuneration as the Directors in their discretion shall think fit, and need not be a Director but shall, if not a Director, be entitled to receive notice of and attend and speak, but not to vote, at all meetings of the Board of Directors.

### **96 Signature on cheques etc.**

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable 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.

**97 Borrowing powers**

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

**ALTERNATE DIRECTORS**

**98 Alternate Directors**

- 98.1 Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors or unless the appointee is another Director, shall have effect only upon and subject to being so approved.
- 98.2 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director, otherwise than by retirement at a General Meeting at which he is re-elected.
- 98.3 An alternate Director shall (except when absent from Malta) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative but he shall not be counted more than once for the purposes of the quorum. If his appointor is for the time being absent from Malta or temporarily unable to act through ill health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director, nor shall he be deemed to be a Director for the purposes of these Articles, nor shall he be deemed to be the agent of his appointor.
- 98.4 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to



receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

#### **SECRETARY**

##### **99 Secretary**

The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Deputy and/or Assistant Secretaries.

#### **AUTHENTICATION OF DOCUMENTS**

##### **100 Authentication of documents**

Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolution passed at a shareholders' meeting or at a meeting of the Directors or any committee, and any book, record, document or account relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any book, record, document or account is elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

#### **RESERVES**

##### **101 Establishment of reserves**

The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Act.

##### **102 Business bought as from past date**

Subject to the provisions of the Act, where any asset, business or property is bought by the

Company as from a past date the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

## DIVIDENDS

### 103 Final dividends

The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

### 104 Fixed and interim dividends

If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit. Provided the Directors act in good faith they shall not incur any liability to the holders of any shares for any loss they may suffer by the lawful payment, on any other class of shares having rights ranking after or *pari passu* with those shares, of any such fixed or interim dividend as aforesaid.

### 105 Distribution in specie

The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

### 106 No dividend except out of profits

No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Act.

### 107 Ranking of shares for dividend

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in

advance of calls shall be treated as paid on the share.

#### **108 Manner of payment of dividends**

- 108.1 Any dividend or other moneys payable on or in respect of a share shall be paid to the member or to such other person as the member (or, in the case of joint holders of a share, all of them) may in writing direct. Such dividend or other moneys may be paid (i) by cheque sent by post to the payee or, where there is more than one payee, to any one of them, or (ii) by inter-bank transfer to such account as the payee or payees shall in writing direct, or (iii) using the facilities of a relevant system, or (iv) by such other method of payment as the member (or in the case of joint holders of a share, all of them) may agree to. Every such cheque shall be sent at the risk of the person or persons entitled to the money represented thereby, and payment of a cheque by the banker upon whom it is drawn, and any transfer or payment within (ii) or (iii) above, shall be a good discharge to the Company.
- 108.2 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other moneys payable on or in respect of a share shall be declared in the Company's reporting currency but may be paid in such currency as the Directors may determine, using such exchange rate for currency conversions as the Directors may select
- 108.3 The Company may cease to send any cheque, warrant or order by post for any dividend on any shares which is normally paid in that manner if in respect of at least two consecutive dividends payable on those shares the cheque, warrant or order has been returned undelivered or remains uncashed but, subject to the provisions of these Articles, shall recommence sending cheques, warrants or orders in respect of the dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

#### **109 Joint holders**

If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

#### **110 Record date for dividends**

Any resolution for the declaration or payment of a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares.

#### **111 No interest on dividends**

No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

#### **112 Retention of dividends**

112.1 The Directors may retain any dividend or other moneys payable on or in respect of a share and may apply the same in or towards satisfaction of the moneys payable to the Company in respect of that share.

112.2 The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

#### **113 Unclaimed dividend**

The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of 12 years from the date on which such dividend was declared or became due for payment shall be forfeited and shall revert to the Company.

#### **114 Waiver of dividend**

The waiver in whole or in part of any dividend on any share shall be effective only if such waiver is in writing (whether or not executed as a deed) signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

### **CAPITALISATION OF PROFITS AND RESERVES**

#### **115 Capitalisation of profits and reserves**

115.1 The Directors may, with the sanction of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account.

115.2 Such capitalisation shall be effected by appropriating such sum to the holders of Ordinary Shares on the Register at the close of business on the date of the resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of Ordinary Shares and applying such sum on their behalf in paying up in full unissued Ordinary Shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

115.3 The Directors may do all acts and things considered necessary or expedient to give effect to

any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

## SCRIP DIVIDENDS

### 116 Scrip Dividends

116.1 Subject as hereinafter provided, the Directors may offer to ordinary shareholders the right to receive, in lieu of dividend (or part thereof), an allotment of new Ordinary Shares credited as fully paid.

116.2 The Directors shall not make such an offer unless so authorised by an Ordinary Resolution passed at any General Meeting, which authority may extend to dividends declared or paid prior to the next following Annual General Meeting, but no further.

Provided that this Article shall, without the need for any further Ordinary Resolution, authorise the Directors to offer rights of election in respect of any dividend declared or proposed after the date of the adoption of these Articles and at or prior to the Annual General Meeting in the year 2007.

116.3 The Directors may either offer such rights of election in respect of the next dividend (or part thereof) proposed to be paid; or may offer such rights of election in respect of that dividend and all subsequent dividends, until such time as the election is revoked; or may allow shareholders to make an election in either form.

116.4 The basis of allotment on each occasion shall be determined by the Directors so that, as nearly as may be considered convenient, the value of the Ordinary Shares to be allotted in lieu of any amount of dividend shall equal such amount.

116.5 If the Directors determine to offer such right of election on any occasion they shall give notice in writing to the ordinary shareholders of such right and shall issue forms of election and shall specify the procedures to be followed in order to exercise such right. Provided that they need not give such notice to a shareholder who has previously made, and has not revoked, an earlier election to receive Ordinary Shares in lieu of all future dividends, but instead shall send him a reminder that he has made such an election, indicating how that election may be revoked in time for the next dividend proposed to be paid.

116.6 On each occasion the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on Ordinary Shares in respect whereof the share election has been duly exercised and has not been revoked (the "elected Ordinary Shares"), and in lieu thereof additional shares (but not any fraction of a share) shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Directors shall capitalise, out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or profit and loss account as the Directors may determine, a sum equal

to the aggregate nominal amount of additional Ordinary Shares to be allotted on that occasion on such basis and shall apply the same in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to and amongst the holders of the elected Ordinary Shares on such basis.

- 116.7 The additional Ordinary Shares so allotted on any occasion shall rank *pari passu* in all respects with the fully-paid Ordinary Shares in issue on the record date for the relevant dividend save only as regards participation in the relevant dividend.
- 116.8 Article 115 shall apply (*mutatis mutandis*) to any capitalisation made pursuant to this Article.
- 116.9 No fraction of an Ordinary Share shall be allotted. The Directors may make such provision as they think fit for any fractional entitlements including, without limitation, provision whereby, in whole or in part, the benefit thereof accrues to the Company and/or fractional entitlements are accrued and/or retained and in either case accumulated on behalf of any ordinary shareholder.
- 116.10 The Directors may on any occasion determine that rights of election shall not be made available to any ordinary shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.
- 116.11 In relation to any particular proposed dividend the Directors may in their absolute discretion decide (i) that shareholders shall not be entitled to make any election in respect thereof and that any election previously made shall not extend to such dividend or (ii) at any time prior to the allotment of the Ordinary Shares which would otherwise be allotted in lieu thereof, that all elections to take shares in lieu of such dividend shall be treated as not applying to that dividend, and if so the dividend shall be paid in cash as if no elections had been made in respect of it.

## ACCOUNTS

### 117 Accounting records

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Act shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by law or ordered by a court of competent jurisdiction or authorised by the Directors.

### 118 Copies of accounts for members

A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than 21 days before the

date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of General Meetings from the Company under the provisions of the Act or of these Articles. Provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders nor to any person of whose postal address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. To the extent permitted by the Act and agreed by the member, the documents referred to in this Article may be sent by electronic communication.

## AUDITORS

### 119 Validity of Auditor's acts

Subject to the provisions of the Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

### 120 Auditor's right to attend General Meetings

An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

## NOTICES

### 121 Service of notices

- 121.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing, except that a notice calling a meeting of the directors need not be in writing.
- 121.2 Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it by post in a pre-paid cover addressed to such member at his registered address, or to the address, if any, supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid.
- 121.3 Any document or notice which, in accordance with these Articles, may be sent by the Company by electronic communication shall, if so sent, be deemed to be received at the expiration of 24 hours after the time it was sent. Proof (in accordance with the formal recommendations of best practice contained in the guidance issued by the Institute of Chartered Secretaries and Administrators - ICSA International) that an electronic communication was sent by the Company shall be conclusive evidence of such sending.
- 121.4 Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of 24 hours (or, where second-class mail is employed, 48 hours) after the time when the cover containing the same is posted and in

proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

121.5 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

## **122 Joint holders**

Any notice in writing given to that one of the joint holders of a share whose name stands first in the Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in Malta, United Kingdom or Sweden and not having supplied a postal address within Malta, United Kingdom or Sweden for the service of notices shall be disregarded.

## **123 Deceased and bankrupt members**

A person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also a postal address within Malta, United Kingdom or Sweden for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent to any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

## **124 Overseas members**

A member who (having no registered address within Malta) has not supplied to the Company a postal address within the United Kingdom or Sweden for the service of notices shall not be entitled to receive notices from the Company.

## **125 Suspension of postal services**

If at any time by reason of the suspension or curtailment of postal services within Malta, the United Kingdom and/or Sweden the Company is unable effectively to convene a shareholders' meeting by notices sent through the post, such meeting may be convened by a notice advertised in at least one national newspaper in the relevant jurisdiction and such notice shall be deemed to have been duly served on all members entitled thereto on the day when the advertisement appears (or first appears). In any such case the Company may still, where applicable, serve notice by electronic communication and shall send confirmatory copies of the notice by post to members to whom it was not sent by electronic communication if at least seven days prior to the meeting the posting of notices to addresses throughout Malta, the United Kingdom or Sweden (as appropriate) again



becomes practicable.

## **126 Signature of documents**

Where under these Articles a document requires to be signed by a member or other person then, if in the form of an electronic communication, it must to be valid incorporate the electronic signature or personal identification details (which may be details previously allocated by the Company) of that member or other person, in such form as the Directors may approve, or be accompanied by such other evidence as the Directors may require to satisfy themselves that the document is genuine. The Company may designate mechanisms for validating any such document, and any such document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

## **127 Electronic communication**

127.1 Any member may notify the Company of an address for the purpose of his receiving electronic communications from the Company, and having done so shall be deemed to have agreed to receive notices and other documents from the Company by electronic communication of the kind to which the address relates. In addition, if a member notifies the Company of his e-mail address, the Company may satisfy its obligation to send him any notice or other document by:

- (a) publishing such notice or document on a web site; and
- (b) notifying him by e-mail to that e-mail address that such notice or document has been so published, specifying the address of the web site on which it has been published, the place on the web site where it may be accessed, how it may be accessed and (if it is a notice relating to a shareholders' meeting) stating (i) that the notice concerns a notice of a company meeting served in accordance with the Act, (ii) the place, date and time of the meeting, (iii) whether the meeting is to be an annual or extraordinary general meeting and (iv) such other information as the Act may prescribe.

127.2 Any amendment or revocation of a notification given to the Company under this Article shall only take effect if in writing, signed by the member and on actual receipt by the Company thereof.

127.3 An electronic communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

## **128 Statutory requirements as to notices**

Nothing in any of the preceding seven Articles shall affect any requirement of the Act that any particular offer, notice or other document be served in any particular manner.

## **WINDING UP**

### **129 Directors' power to petition**

The Directors shall have power in the name and on behalf of the Company to present an application to the Court for the Company to be wound up.

### **130 Distribution of assets in specie**

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property 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 authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

## **INDEMNITY**

### **131 Indemnity**

- 131.1 Subject to the provisions of and so far as may be consistent with the Act, every Director, Secretary or other officer of the Company shall be indemnified by the Company out of its own funds against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any law for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.
- 131.2 Without prejudice to paragraph 131.1 above the Directors shall have power to purchase and maintain insurance for or for the benefit of any person who is or was at any time a Director or officer of any Relevant Company (as defined in paragraph 131.3 below) or who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.
- 131.3 For the purpose of paragraph 131.2 above "Relevant Company" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in

any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.

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**Donald Vella**  
Company Secretary

Subject to AGM Approval