

C 62625 | 20



**CARMELO STIVALA GROUP LIMITED**  
143, The Strand  
Gzira, Malta

**AS**  
26 SEP 2017

Co. Reg. No C 62625  
(the 'Company')

**Resolution in writing signed by the Shareholders of the Company, entitled to receive notice of and to attend and vote at general meetings of the Company, pursuant to Article 210 of the Companies Act, 1995.**

**Date: 6<sup>th</sup> September 2017**

It is hereby unanimously resolved that:

- A. Mr Carlo Stivala, holder of Maltese ID Card number 23589M and residing at Tal-Qroqq Mansions, Flat 4, Tal-Qroqq Street, Msida, Malta shall be appointed as executive director of the Company and shall be vested with the legal and judicial representation of the Company;
- B. Mr Ivan Stivala, holder of Maltese ID Card number 352278M and residing at 4, Buogainvillea, Triq l-Ornitologija, Kappara, San Gwann, Malta, Malta shall be appointed as executive director of the Company and shall be vested with the legal and judicial representation of the Company;
- C. Mr Martin John Stivala, holder of Maltese ID Card number 35672M and residing at 2, Orchidea, Flat 10, Triq tal-Hriereb, Msida, Malta shall be appointed as executive director of the Company and shall be vested with the legal and judicial representation of the Company;
- D. Mr Michael Stivala, holder of Maltese ID Card number 499374M and residing at 7, St Anthony, Triq San Trofimu, Sliema, Malta shall be appointed as executive director of the Company and shall be vested with the legal and judicial representation of the Company (collectively the "New Directors");
- E. Mr Carmelo Stivala holder of Maltese ID Card number 847533M and residing at 143, The Strand, Gzira, Malta will be resigning from the post of director of the Company and will no longer be vested with the judicial and legal representative of the Company;
- F. Following the change in directors, Clause 7 of the Memorandum of Association shall be amended as follows:

*QUOTE*

**7. Management and Administration**

The management and administration of the Company shall be managed by a Board of Directors which shall be composed of not less than two (2) and not more than ten (10) directors. The directors of the Company shall be:

Carlo Stivala  
Maltese ID No. 23589M  
Tal-Qroqq Mansions, Fl 4  
Triq Tal-Qroqq  
Msida  
Malta

Martin John Stivala  
Maltese ID No. 35672M  
2, Orchidea, Fl 10  
Triq Tal-Hriereb  
Msida  
Malta

Ivan Stivala  
Maltese ID No. 352278M  
4, Buogainvillea,  
Triq l-Ornitologija  
Kappara, San Gwann

Michael Stivala  
Maltese ID No. 499374M  
7, St Anthony, Triq San Trofimu  
Sliema  
Malta

Legal and Judicial representation of the Company is vested in any one (1) of its directors or in addition and without prejudice to the aforesaid, in any person or persons authorised by the Board from time to time, for this purpose.

*UNQUOTE*

- G. Following the appointment of the New Directors, the Clauses 'Directors' and 'Terms of office of Directors' in the Articles of Association of the Company shall be amended as follows, and the Clause 'Vacancy of office of Directors' shall be added as follows:

*QUOTE*

**Directors**

27. a. The administration and management of the Company affairs are entrusted to a Board of Directors consisting of the number of Directors mentioned in the Memorandum of Association of the Company to be appointed in terms of Clause seven (7) of the Memorandum of Association of the Company.
- b. A Director need not be a member of the Company.
- c. Each Director shall have one vote.
28. In order to be eligible to be appointed to sit on the Board of Directors of the company, the prospective director of the company must also be a current executive member of the Board of Directors of Stivala Group Finance p.l.c., a company incorporated in Malta bearing Company Registration Number C 82218.

**Term of office of Directors**

29. A member of the Board shall hold office until such time as he tenders his resignation or until he is removed by the General Meeting in accordance with Section 140 of the Act.

**Vacancy of office of Directors**

30. Whenever through death or for any other reason mentioned in the next succeeding clause a vacancy occurs in the Board of Directors, it may be filled by the Board of Directors and the person chosen shall be subject to retirement at the next Annual General Meeting provided that this clause shall not authorise the Board of Directors to elect the person so chosen to the office of chairman.
31. 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, not being a Managing Director holding office as such for a fixed term, he shall resign by notice in writing addressed to the registered office of the Company, or if, being such a Managing Director, he shall tender his resignation and the Directors shall accept the same;
- c. If he shall be judged bankrupt;
- d. If he shall be absent from meetings of the Directors for six months without leave, and the Directors resolve that his office be vacated; and
- e. If he ceases to satisfy the eligibility condition set out in article 28 above.

*UNQUOTE*

- H. The decision of the Board of Directors resolving that Michael Stivala holder of Maltese ID card number 499374M and residing at 7, St. Anthony, Triq San Trofim, Sliema, Malta will resign from the post of secretary of the Company, and that Rudi Xuereb holder of Maltese ID Card number 0124679M residing at 109, Triq il-Ghajj, Swieqi, Malta shall be appointed as secretary of the Company in his stead be hereby approved;
- I. Following the change in secretary of the Company, Clause 8 of the Memorandum of Association of the Company shall be amended as follows

*QUOTE*

**8. Company Secretary**

The secretary of the Company is:

Rudi Xuereb  
 Maltese ID No. 0124679M  
 109, Triq il-Ghajj  
 Swieqi  
 Malta

*UNQUOTE*

- J. The share capital of the company be and is hereby being held as follows:

Stivala Group Finance p.l.c. 143, The Strand, Gzira GZR1026 Co Reg'n No: C 82218	Four thousand and eight hundred (4,800) ordinary shares of €1 each
Mr Carmelo Stivala 143, The Strand, Gzira GZR1026 ID Card No: 847533M	Ninety-five (95) ordinary shares of €1 each
	4,895

- K. Following the share transfer, Clause 5 of the Memorandum of Association of the Company shall be amended as follows

QUOTE

5. **Capital**

a. Authorised

The authorized share capital of the Company is four thousand, eight hundred and ninety five euro (€4,895) divided into four thousand, eight hundred and ninety five (4,895) ordinary shares of one euro (€1) each.

b. Issued

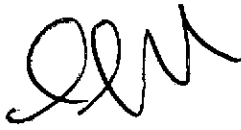
The issued share capital of the Company is four thousand, eight hundred and ninety five euro (€4,895) divided into four thousand, eight hundred and ninety five (4,895) ordinary shares of one euro (€1) each, which have all been subscribed, allotted and taken up fully paid up, as follows:

Stivala Group Finance p.l.c. 143, The Strand, Gzira GZR1026 Co Reg'n No: C 82218	Four thousand and eight hundred (4,800) ordinary shares of €1 each
Mr Carmelo Stivala 143, The Strand, Gzira GZR1026 ID Card No: 847533M	Ninety-five (95) ordinary shares of €1 each
	4,895

The Company is authorised to issue preference shares, with whatever denomination used and any redemption of such shares shall take place at par in accordance with the provisions of the Companies Act, 1995 and subject to any specific conditions which may be included in any extraordinary resolution approving such redemption of shares. The said preference shares shall carry no voting rights.

UNQUOTE

- L. The attached updated Memorandum and Articles of Association be duly registered with the relevant authorities, substituting in its entirety the currently registered Memorandum and Articles of Association.



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Mr Carmelo Stivala  
**Shareholder**



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Mr Michael Stivala  
*f/obo Stivala Group Finance p.l.c.*  
**Shareholder**



**Memorandum of Association**  
**Of**  
**Carmelo Stivala Group Limited**

1. **Name**

The name of the Company is **Carmelo Stivala Group Limited**.

2. **Office**

The registered office of the Company shall be at 143, The Strand, Gzira GZR 1026, Malta or any other address in Malta as the Board of Directors of the Company may from time to time determine.

3. **Objects**

The objects for which the Company is established are as follows: -

- a. To acquire and dispose of, by any title valid at law, movable or immovable property, and any rights thereon, whether for commercial or other purposes and to hold the property so acquired, and the consideration for any acquisition or disposal can be by credit or in cash or in kind, including the allotment of shares or debentures of the company, credited as paid up in full or in part as need be.
- b. To invest, lease, hire, grant by way of emphyteutical concession or in any other manner employ, improve, manage or develop any of its assets as may from time to time be determined.
- c. To construct, enlarge, pull down, remove or replace any hotels, restaurants, guest-houses, flats, residential dwellings or any other building whatsoever and to manage, operate and maintain same when so established
- d. To carry on the business of building contractors.
- e. To enter into any partnership or agreement or make any arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or purporting to carry on business within the objects of the Company.
- f. To subscribe for, purchase or otherwise acquire, take, hold, dispose of or otherwise deal in all kinds of securities including shares, stocks, debentures, debenture stock, bonds, notes, options, and interests in all kinds of companies, corporations, entities, partnerships or other body of persons as the Board of Directors may determine, and to manage and administer any of the afore-mentioned property or any other property permitted by law;
- g. To receive from the assets mentioned in paragraph (f) above dividends, capital gains, interest, and any other income derived from investments 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.
- h. To give loans, advances and credit facilities to third parties and to invest or lend any of the monies of the Company in relation to its business in such a manner as the Board of Directors may determine;

- i. To enter into any agreement or make any arrangement in connection with the Company's business, with any government department or other authority, corporation, company or person which is in the interest of the Company;
- j. To borrow and raise money in such manner as the Company shall think fit, for the purpose of, or in connection with, the Company's business and to secure the repayment of the money borrowed by hypothecation or other charge upon the whole or part of the movable and immovable assets or property of the Company present and future and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments;
- k. To guarantee the payment of monies or the performance of any contract or obligation in which the Company may be interested even by the hypothecation of the Company's property, present or future;
- l. To act as surety for and to guarantee the payment of monies or the performance of any contract or obligation of any third party even by the hypothecation of the Company's property; present or future;
- m. To receive and grant royalty, rental rights, license or similar property of any kind and to enter into arrangements for this purpose;
- n. To sell, lease, charge, hypothecate or otherwise dispose, of the whole or any part of the property, assets or undertakings of the Company;
- o. To carry on any other business or businesses whatever, within the objects of the company and which may be conveniently carried on or which may be calculated, directly or indirectly, to enhance the value of or render profitable any of the Company's property rights or to utilize skills and knowledge available to the Company;
- p. To do all such other things which are incidental or conducive to the attainment of any of the company's objects.

It is hereby declared that the objects of that the objects of the company shall not be restrictively construed but the widest interpretation shall be given thereto. None of the above described objects and powers shall be deemed subsidiary or ancillary to any other object or power mentioned therein. The Company shall have full authority to exercise all or any of the powers and to achieve or to endeavor to achieve all or any of the company's objects.

Nothing in the foregoing shall be construed as empowering or enabling the company to carry out any activity or service which requires a license or is otherwise regulated under the Banking Act 1994, the Financial institutions Act 1994, the investment Services Act, 1994, the Insurance Business Act, 1998 and the Insurance Brokers and other Intermediaries Act, 1998 without a license or other appropriate authorization from the respective authority.

The foregoing objects shall be constructed consistently with and subject to the provisions of the Companies Act, 1995.

#### 4. **Status of Company**

The Company is a private exempt limited liability Company and accordingly:

- a. The right to transfer shares is restricted in manner herein prescribed;
- b. The number of members of the Company is limited to fifty. Provided that were two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single member;
- c. Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited;

Furthermore due to the exempt status of the Company;

- i. The number of persons holding debentures of the company is not more than fifty; and;
- ii. No body corporate is a director of the company, and neither the company nor any of the directors is party to an arrangement whereby the policy of the company is capable of being determined by persons other than the directors, members or debenture holders thereof;

and this without prejudice to the provisions contained in section 211 of the Companies Act, 1995.

## 5. Capital

### a. Authorised

The authorized share capital of the Company is four thousand, eight hundred and ninety five euro (€4,895) divided into four thousand, eight hundred and ninety five (4,895) ordinary shares of one euro (€1) each.

### b. Issued

The issued share capital of the Company is four thousand, eight hundred and ninety five euro (€4,895) divided into four thousand, eight hundred and ninety five (4,895) ordinary shares of one euro (€1) each, which have all been subscribed, allotted and taken up fully paid up, as follows:

Stivala Group Finance p.l.c. 143, The Strand, Gzira GZR1026 Co Reg'n No: C 82218	Four thousand and eight hundred (4,800) ordinary shares of €1 each
Mr Carmelo Stivala 143, The Strand, Gzira GZR1026 ID Card No: 847533M	Ninety-five (95) ordinary shares of €1 each
	4,895



The Company is authorised to issue preference shares, with whatever denomination used and any redemption of such shares shall take place at par in accordance with the provisions of the Companies Act, 1995 and subject to any specific conditions which may be included in any extraordinary resolution approving such redemption of shares. The said preference shares shall carry no voting rights.

**6. Liability of Members**

The liability of the members is limited in the case of each member to the amount, if any, unpaid on the shares which such member holds in the Company.

**7. Management and Administration**

The management and administration of the Company shall be managed by a Board of Directors which shall be composed of not less than two (2) and not more than ten (10) directors. The directors of the Company shall be:

Carlo Stivala  
Maltese ID No. 23589M  
Tal-Qroqq Mansions, Fl 4  
Triq Tal-Qroqq  
Msida  
Malta

Martin John Stivala  
Maltese ID No. 35672M  
2, Orchidea, Fl 10  
Triq Tal-Hriereb  
Msida  
Malta

Ivan Stivala  
Maltese ID No. 352278M  
4, Buogainvillea,  
Triq l-Ornitologija  
Kappara, San Gwann  
Malta

Michael Stivala  
Maltese ID No. 499374M  
7, St. Anthony  
Triq San Trofimu  
Sliema  
Malta

Legal and Judicial representation of the company is vested in any one (1) of its directors or in addition and without prejudice to the aforesaid, in any person or persons authorised by the Board from time to time, for this purpose.

**8. Company Secretary**

The secretary of the Company is:

Rudi Xuereb  
Maltese ID No. 0124679M  
109, Triq il-Ghajn  
Swieqi  
Malta



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Mr Carmelo Stivala  
*Shareholder*



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Mr Michael Stivala  
*f/obo Stivala Group Finance p.l.c.*  
*Shareholder*

**Articles of Association**  
**of**  
**Carmelo Stivala Group Limited**

The Regulations contained in Part I and II of the First Schedule (hereinafter referred to as "the Schedule") of the Companies Act 1995 (hereinafter called "the Act") shall apply to the Company save as in so far as they are excluded or varied hereby. Regulations 14, 36, 38, 40, 41, 45, 48, 51, 57-63, (inclusive), 81 and 82 of Part I of Schedule and Regulations 1 and 3 of Part II of the Schedule shall not apply to the Company.

**Interpretation**

In these regulations the word "person" is deemed to include any corporate body, firm, partnership, or other body of persons, whether corporate or unincorporated unless the context otherwise requires or unless such interpretation is contrary to law. Words importing the singular number shall include the plural number and vice versa and words importing the masculine gender only shall include the feminine gender.

**Share Capital and Shares**

1. Unless otherwise provided for in terms of issue each Ordinary Share in the Company shall give the right to one vote at any General Meeting of the Company PROVIDED that no member shall be entitled to vote unless all calls payable by him or due from him in respect of his shares in the Company have been paid.
2. Any shares (whether part of the original capital or any increase in capital) before they are issued are to be offered to the existing holders of Ordinary Shares in the Company in proportion as nearly as may be to the number of Ordinary Shares held by each such holder of Ordinary Shares.
3. The shares are issued in the holders' names and numbered consecutively. In respect of a share held jointly by several persons, the name of only one (1) of such persons shall be entered into the register of members, such person shall be nominated by the joint holders and shall for all intents and purposes be deemed to be the holder of the shares so held and shall be responsible for any calls made thereon.
4. The Company is authorized to issue preference shares, with whatever denomination used and any redemption of such shares shall take place at par in accordance with the provisions of the Companies Act, 1995 and subject to any specific conditions which may be included in any extraordinary resolution approving such redemption of shares. The said preference shares shall carry no voting rights.
5. Members may pledge their shares in the company in favor of any person for any obligation

**Transfer and Transmission of Shares**

6. a. Any holder of Ordinary Shares wishing to transfer his shares must first offer them for sale to the other holders of Ordinary Shares at their "fair value". The other holders of Ordinary Shares shall have the right to purchase such shares and should more than one (1) holder of Ordinary Shares desire to take up the offer such shares shall be distributed amongst them in proportion as nearly as may be to the number of shares held by each.
- b. Such offer is to be made through the Board of Directors of the Company, which within thirty (30) days of receipt of such offer is to transmit it by registered mail to the holders of Ordinary Shares in the Company, holders of Ordinary Shares in the Company, together with the Auditor's report

establishing the "fair value" of such shares, allowing each holder of Ordinary Shares fifteen (15) days to indicate the number, if any, he is willing to purchase.

Any holder of Ordinary Shares not replying to the offer by registered mail within the specified period will be considered to have declined the said offer.

- c. In the event of the whole of the said offer not being taken up by the holders of Ordinary Shares of the Company under the preceding sub-article of this article the proposing transferor may at any time within three (3) months after the expiration of the said fifteen (15) days, sell the shares not taken up to any person, at a price not lower than the "fair value".
- d. Transmission "causa mortis" shall be allowed to the spouse or children of the deceased member and no right of pre-emption shall exist in such an event.
- e. Notwithstanding what has been said in paragraph (a) of this article, shares are freely transferable between a shareholder and his/her spouse and children.
- f. "Fair value" in this article shall mean the value of the shares given by the Auditors of the Company on the basis of the last audited accounts.

#### **Acquisition of Own Shares**

- 7. Subject to the provisions of the Act, the Company is authorised to purchase its own shares.

#### **Issue of Fresh Shares**

- 8.
  - a. The company in general meeting may by means of an ordinary resolution authorise the Board of Directors to issue shares up to a maximum amount of the company's authorized share capital over a period of five (5) years.
  - b. The Company may, at a general meeting, renew such authorization for further five (5) year periods.

#### **General Meetings**

- 9. Subject to the provisions of the Act, the Company shall in each year hold an annual general meeting at such time and place as the directors shall appoint.
  - a. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened by the directors on the requisition of any member.
  - b. The requisition must state the objects of the meeting and must be signed by the requisitioner and be deposited at the registered office of the Company.
  - c. If the directors fail, for any reason, to convene the meeting within twenty-one (21) days from the date of the deposit of the requisition, the requisitioner may himself convene the meeting in the same manner, as nearly as possible, as that in which meetings are to be convened by the directors.

#### **Notice of General Meetings**

- 10. A general meeting of the Company shall be called by fourteen (14) days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it be given, and shall specify the place, the day and the hour of the meeting, and in case of special business, the general nature of that business, and shall be given in the manner hereinafter

mentioned, to such persons as are, under the regulations of the Company and under the Act, entitled to receive such notice from the Company.

Provided that a meeting of the Company shall, notwithstanding that it has not been convened as aforesaid, be deemed to have been duly called if it is so agreed by all the members entitled to attend and vote thereat.

11. 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 of that meeting.
12. A notice may be given by the Company to any member either personally or by sending it by registered mail to his registered address in Malta or abroad. In the case of members resident outside Malta notice shall be given simultaneously by telex, telegram, telefax or other means of electronic communication capable of confirming delivery, to such number/address as he shall have furnished to the Company. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.
13. Notice of every general meeting shall be given in the manner herein before authorized to:-
  - a. every registered member;
  - b. to each director of the Company; and
  - c. the auditor for the time being of the Company.

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

#### **Proceedings at General Meetings**

14. Unless otherwise expressly provided by law, all business shall be deemed extraordinary that is
  - (i) transacted at an extraordinary general meeting; or
  - (ii) that is transacted at any annual general meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors and the appointment of and the fixing of the remuneration of the auditors.
15. No business shall be transacted at any general meeting other than that stated in the notice convening it and unless a quorum is present at the time when the meeting proceeds to business; any member or number of members present in person or by proxy, and having the right to attend and vote at such meeting and holding alone, or as the case may be, between them at least fifty-one percent (51%) of the nominal value of the shares conferring such right shall constitute a quorum.
16. All or any of the members of the Company may participate in a general meeting of the Company by means of any means of communication which permits all members participating in the meeting to hear each other and a person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
17. The chairman, if any, of the Board of directors shall be preside as chairman at every general meeting of the Company. If there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting, the members present shall elect one of the directors to be chairman of the meeting
18. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the

adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment of the business to be transacted at an adjourned meeting.

### **Votes of Members**

19. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on show of hands every member present in person shall have one vote and on poll every member shall have one vote for each share of which he is the holder. On a poll, votes may be given either personally or by proxy.
20. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
  - a. By the Chairman;
  - b. By any member present in person or by proxy
21. The instrument appointing a proxy shall be in writing and shall be either
  - (i) Presented to the Chairman at the meeting at which it is to be used or
  - (ii) If there is no chairman in office deposited at the registered office of the company not less than twenty-four (24) hours before the time for holding the meeting at which the person named in the instrument proposes to vote. A proxy may not be a member of the Company and in no case may a member of the Company appoint more than one proxy.
22. An extraordinary resolution shall be deemed to have been validly carried if:
  - a. It has been taken at a general meeting of which notice specifying the intention to propose such resolution as an extraordinary resolution and the text of the resolution and principal purpose thereof has been duly given in such notice; and
  - b. It has been passed by a member or by a number of members having the right to attend and vote at any such meeting holding alone or, as the case may be, in aggregate not less than seventy-five percent (75%) in nominal value of the shares conferring that right.
23. An ordinary resolution shall be passed by a member or members having the right to attend and vote holding in the aggregate more than fifty-one percent (51%) in nominal value of the shares represented and entitled to vote at the meeting.

### **Companies acting by Representatives at Meetings**

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

### **Powers of General Meetings**

25. Decisions upon the following matters shall be taken by the Company in general meeting:
  - a. approval of annual accounts, directors' report and auditor's report.
  - b. declaration of dividends which shall in no case, however, exceed the amount, if any, recommended by the board of directors.

- c. increase and reduction of issued and authorised capital.
- d. acquisition of own shares.
- e. alterations, revocations and additions to the Company's Memorandum and Articles of Association.
- f. appointment and removal of the directors and auditors, provided that the first auditors of the Company may be appointed by the Board of directors at any time before the first General Meeting of the company at which the annual accounts shall be laid, and the auditors so appointed shall hold office until the conclusion of that meeting, unless they are previously removed and others are appointed in their place by the Company in General Meeting.
- g. fixing of the remuneration payable to the directors and to the auditors of the Company, *provided* that the remuneration of the first auditors of the Company shall be fixed by the Board of directors of the Company.
- h. in general decisions on all matters which in terms of the Act or of these Articles are reserved to the general meeting of the Company or which the Board of directors may from time to time place before it.

#### **Provisions applicable to Single-Member Companies**

26. a. Where a company becomes a single member company, the single member shall exercise the powers of the general meeting of the shareholders of the company and the decisions taken by him in this capacity shall be recorded as minutes of the general meeting and the provisions of the Act and these Articles, regulating general meetings shall be construed accordingly. The 'decisions' referred to in this subsection shall be deemed to be resolutions of the Company for the purposes of the application of the provisions of the Act;
- Provided that the provisions of this Clause shall not prejudice the rights of the auditors of the company to receive notice of, attend and be heard at any general meeting of the Company and the rights granted to persons as are, by the articles of the Company, entitled to receive notices of, attend and be heard at general meetings of the Company.
- b. The single member shall record in writing all agreements between him and the Company as represented by him in a minute book kept by the Company specifically for the purpose;
  - c. When a Company ceases to be a single member company, it shall within 14 days, deliver to the Registrar of Companies for registration a notice specifying the fact that it is no longer a single member company and the provisions of this clause relating to single member companies shall not apply any further.
  - d. Article 6 relating to the Transfer and Transmission of shares shall not apply in the case of a single member company. In fact, any single member in a company may freely transfer his shareholding to any other third party at the fair value meaning the value of the shares to be transferred given by the Auditors of the Company on the basis of the last audited accounts.

#### **Directors**

27. a. The administration and management of the Company affairs are entrusted to a Board of Directors consisting of the number of Directors mentioned in the Memorandum of Association of the Company to be appointed in terms of Clause seven (7) of the Memorandum of Association of the Company.
- b. A Director need not be a member of the Company.
  - c. Each Director shall have one vote.

28. In order to be eligible to be appointed to sit on the Board of Directors of the company, the prospective director of the company must also be a current executive member of the Board of Directors of Stivala Group Finance p.l.c., a company incorporated in Malta bearing Company Registration Number C 82218.

#### **Term of office of Directors**

29. A member of the Board shall hold office until such time as he tenders his resignation or until he is removed by the General Meeting in accordance with Section 140 of the Act.

#### **Vacancy of office of Directors**

30. Whenever through death or for any other reason mentioned in the next succeeding clause a vacancy occurs in the Board of Directors, it may be filled by the Board of Directors and the person chosen shall be subject to retirement at the next Annual General Meeting provided that this clause shall not authorise the Board of Directors to elect the person so chosen to the office of chairman.
31. 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, not being a Managing Director holding office as such for a fixed term, he shall resign by notice in writing addressed to the registered office of the Company, or if, being such a Managing Director, he shall tender his resignation and the Directors shall accept the same;
  - c. If he shall be judged bankrupt;
  - d. If he shall be absent from meetings of the Directors for six months without leave, and the Directors resolve that his office be vacated; and
  - e. If he ceases to satisfy the eligibility condition set out in clause 28 above.

#### **Borrowing Powers of Directors**

32. The directors may exercise all the powers of the Company to borrow money, and to hypothecate or charge its undertaking property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligations of the Company or of any third party.

#### **Powers and Duties of Directors**

33. a. The business 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 provisions as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.
- b. Without prejudice to the general powers conferred above and the other powers conferred by these Articles, it is hereby expressly declared that the directors shall have the following powers, that is to say, power:-
- (i) to make fresh issue of shares within the Company's authorised capital provided such issue is authorised by the company's articles and by an ordinary resolution of the company in general meeting; or where no authorisation exists in the company's Articles where such issue is authorised by an extraordinary resolution of the company in general meeting;
  - (ii) to make calls in respect of any amount unpaid on any shares;



- (iii) to appoint and at their discretion remove or suspend such managers, officers, agents or servants as they may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments;
- (iv) to institute, conduct, defend, compromise, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compromise and low time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company and to designate the Company's representative for such purpose or purposes;
- (v) to bind the Company vis-a-vis third parties and third parties vis-a-vis the Company and to determine who shall be entitled to sign on behalf of the company cheques, bills, notes, receipts, acceptances, endorsements, releases, contracts, and other documents.
- (vi) to convene at any time general meetings of the Company.

### **Proceedings of Directors**

34. a. The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- b. Meetings of the directors shall take place in Malta or, with the consent of all the directors, abroad.
- c. Questions arising at any meeting shall be decided by a simple majority of votes. In case of an equality of votes on any motion, the chairman shall have a second or casting vote.
- d. A director may, and the secretary on a written requisition of a director shall, at any time summon a meeting of the directors. Notice of meetings of directors shall be given at least seven (7) days before the date of the meeting to all the directors. Such notices shall be given by means of registered mail or by any means of electronic communication capable of confirming delivery, to such address as may have been provided to the Company. It shall not be necessary to give notice of an adjourned meeting.
35. The quorum necessary for the transaction of the business of the directors shall be a majority of the directors in office at the time or should there only be one director in office at any time, that director shall alone constitute a quorum.
- Provided that if no quorum is present within half an hour from the time appointed for the meeting, the meeting shall be adjourned to the same day in the next week at the same time and place or to such other date at the same time and place or to such other time and place as the directors present shall determine and if, at the adjourned meeting, a quorum is not present, the director or directors present shall constitute a quorum.
36. Any director may by notice in writing under his hand served upon the Company appoint any person as an alternate director to attend and vote in his place at any meeting of the directors at which he is not personally present. Every such appointment shall be effective and the following provisions shall apply in connection therewith:
- a. Every alternate director while he holds office as such shall be entitled to attend and to exercise all the rights and privileges of his appointer at all such meetings for which such alternate director has been appointed and at which his appointer is not personally present.
  - b. Every such alternate director shall ipso facto vacate office if and when the director him appointing ceases for any reason to be a director or removes the alternate director from office as such by notice in writing under his hand served upon the Company.
  - c. No alternate director shall be entitled as such to receive any remuneration from the

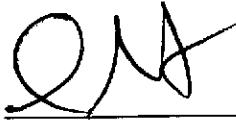
Company.

- d. A director may act as alternate director for another director and shall be entitled to vote for such other director as well as on his own account, and for the purpose of determining the quorum he shall be counted in both his said capacities.
- e. A resolution in writing signed by all the directors in accordance with article 66 of the First Schedule to the Act may be taken by means of several documents in like form signed separately.

**Secretary**

37. The directors shall appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

Provided that it shall be the duty of the directors to take all reasonable steps to ensure that the company secretary is a person who appears to them to have the requisite knowledge and experience to discharge the functions of company secretary.



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Mr Carmelo Stivala  
*Shareholder*



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Mr Michael Stivala  
*fobo Stivala Group Finance p.l.c.*  
*Shareholder*