



THE COMPANIES LAW (CAP.113)

PRIVATE COMPANY LIMITED

BY SHARES

**MEMORANDUM**

AND

**ARTICLES OF ASSOCIATION**

OF

THE COMPANY

**COMPANY SERVICES LIMITED**

Established this ..... day of .....  
Certificate of Registration No.....

**THE COMPANIES LAW (CAP. 113)  
PRIVATE COMPANY LIMITED BY SHARES**

**MEMORANDUM**

**OF**

**THE COMPANY**

**COMPANYSERVICES LIMITED**

1. The name of the Company is COMPANYSERVICES LIMITED
2. The registered office of the Company will be situated in Cyprus.
3. The objects for which the Company is established are:
  - (1) To carry out on a transactional or exchange basis, commerce either wholesale or retail, imports or exports and transit, internal or external, extended or limited, industrial or manual, and in general every kind or category of commerce of crude, materials, necessities, components, and every other kind of product, product or object and for this purpose as well as for any other purpose of the Company, to conduct sales, purchases, resales, imports, exports and every other necessary or additional or auxiliary act of trading.
  - (2) To conduct the business of an investment holding company and to this end to acquire and hold as investment immovable property, shares, stocks, debentures, debenture stocks, bonds, notes, liabilities and securities which have been issued or not or which have been guaranteed or not by any government, or public body or public authority, in any part of the world, to acquire any such immovable property and such shares, stocks, debentures, debenture stocks, bonds, notes, liabilities and securities with initial registration of contract, offers, purchases, by swap or any other way, and either being fully repaid or not and to be registered in this respect under such terms and conditions as deemed appropriate and impose all the rights and powers ascribed to or deriving from the ownership of such immovable property and such shares, stocks, debentures, debenture stocks, bonds, notes, liabilities and securities.
  - (3)
    - (a) To carry on the activities and business of agent and advisors in relation to any kind of management, administration, control, organisation, companies, business, enterprises or persons and to carry on the activities and business of a service company, of a company acting as arbitrator, to supply or participate or assist in offering consultancy services, managerial, administrative or other services on any subject and the provision of assistance in handling and solving problems, disputes and claims between companies, organisations, persons or enterprises of any kind.
    - (b) To carry on the activities and business of consultants in relation to any matter or any branch of any enterprise or industry and to set up and operate offices in Cyprus or abroad for the management and

administration of the business activities of the Company.

(c) To carry on the activities and business of information technology company and communications, the preparation, production and disposition of computer programmes and the supply of services and consultations on every subject which involves know-how or technology of any field or business.

(d) To carry on the activities and business of secretary, director, attorney, managing director, administrative director, shareholder, trustee, receiver, or agent of any company, enterprise, public or private organisation, of every agency or other authority or rule or private person and generally of every natural or legal person.

(e) To acquire and hold shares in companies or in other legal entities as nominee shareholder, and trustee, to offer and provide work of an organisational and administrative kind or provide advice and generally to carry on the business of consultants and advisors.

(4) To carry on the activities and business of consultants on subjects in relation to the administration, organisation of industries and enterprises, in relation to the training of personnel for industry and enterprises, in relation to the investment and development of capital, stocks, shares, money and to offer advice in relation to the means and methods for the further development and improvement of every kind of business and/or industries and in relation to all systems and/or procedures connected with the production, storage, distribution, advertisement and sale of goods and/or insurances and/or movable or immovable property and/or related objects connected with the supply of services.

(5) (a) To carry on the activities and business of importers, exporters, wholesalers, retailers, distributors, commercial agents, agents, resellers, commission agents, brokers, providers, store-keepers, distributors, of any kind of goods, products, supplies, possessions, raw materials, computers, printers and all their parts and accessories, faxes, photocopying machines, typewriters, software, machinery, electric units, household and electric items, pharmaceutical goods and products, gifts, toys, supplies or other objects, goods or products of any kind and description.

(b) To negotiate, buy, sell, administer, store, import, export, re-export, advertise, transport, of any kind of products, goods, materials, supplies or of any other objects of every kind.

(c) To carry on the activities and business of movers, transporters, store-keepers, loaders, contractors, forwarding agents, for the transportation of goods or loads of any kind, and of every related trade or commercial act, work or activity.

(6) To purchase, built, hire, charter or otherwise acquire ships or vessels of any type and nature including all necessary attachments or accessories, to register them in any ship Registry in accordance with any law and also to use them for the transportation of any provisions of any kind including animals, petrol or other

liquids and generally every item from any place to another in the world as it would be considered advisable.

- (7) To exchange, purchase, hire, administrate, possess, ships of any type with or without equipment, machinery, furniture and fittings or shares or interests on them, or shares or other assets of companies owning such ships and vessels and to acquire postal subsidies and to maintain, repair, or make better, alter, mortgage or otherwise to deal, sell, dispose of such ships or vessels, shares or other company assets.
- (8) To carry on the business of shipowners, transporters by surface or by sea, administrators, subdealers and ship agents and shipping companies, ship/vessels suppliers, stockists, contractors, boat owners, cargo vessels, steamboats and other small ships, forwarding agents, general agents, loaders and unloaders, ship middlemen, charter lines agents and commission agents, shipowners, wharfingers, ice manufacturers and merchants, owners of refrigerators and cool places and to be covered through any insurance company or person against loss, damage or against all risks and responsibility of any type which might affect the company, the assets or her products, goods or other assets and person or animals transported by the company and to act as an insurance broker or agent of any insurance company for any insurance activity including marine insurance.
- (9)
  - (a) To carry on the activities and business of builders and contractors, road constructors, engineers, architects, civil engineers, electricians, furniture manufacturers, decorators, plumbers, loaders, store-keepers and generally of contractors of every type of building road activity, general constructions mechanical, and electrical and mechanical activities.
  - (b) To carry on every type of industry, handicraft or business.
- (10) To carry on the activities and business of hoteliers, tourist agents, brokers, owners, administrators, directors of hotels and tourist units, complexes, places or lodgings and generally to carry on every related activity or business in every branch of the hotel and tourist industry.
- (11) To promote and participate in the development and extension of tourism and to establish and function tourist and travel agencies and information offices for the supplying of information and ticket issuing offices and generally to promote, organise and participate in excursions for tourists, visitors and of every other persons.
- (12) To buy, import, own, hold, use, exploit, sell, lease, let on hire purchase terms or otherwise, exchange, administer, export, replace, exchange, maintain and dispose of machinery, machines, installations, vehicles, vehicles for public transport or self drive vehicles, equipment, tools, apparatus, devices, supplies or other things.
- (13) To acquire by purchase, gift, exchange or otherwise, possess and register in the name of the Company, to develop, exchange, assign, lease, sub-lease, administer, exploit, charge, mortgage, sell or otherwise dispose of, movable or immovable property of any nature including land, building sites, plots, fields,

buildings, as well as any easements, privileges, licences shares or other rights or interests in, or over movable or immovable property.

(14) (a) To construct, improve, convert, extend, equip, furnish, administer, operate, manage, buildings, structures or other installations, works, places or other establishments and generally to develop, improve or manage property, belonging to or are in the possession, control or management of the Company.

(b) To establish, erect, acquire, possess, supply, administer, manage, let, lease, maintenance, or exploit, factories, workshops, metal workshops, shops, offices, approved or in transit warehouses or other buildings, places or premises.

(15) (a) To carry on investment business and/or provide investment services for that purpose to acquire and register in the company's name for its own account or on behalf of others, by way of gift, purchase, loan, assignment, or otherwise, shares, stock, debentures, debenture stock, bonds, money, or other securities of any nature issued or guaranteed by any company, government or other authority and to exercise all the powers and rights conferred by or arising out of holding or ownership of any of them and to sell, substitute, mortgage, pledge, assignment, or otherwise dispose, invest and exploit same including its own shares.

Provided that when the carrying out of investment business and/or provision of investment services relates to financial instruments as these, from time to time, are defined in the relevant law in force, then the carrying out of investment business and the provision of investment services shall be effected exclusively and only on behalf of the company and/or exclusively to its parent or its subsidiary businesses or to a subsidiary business of its parent.

(b) To receive money on deposit, with or without allowance of interest thereon.

(c) To advance and lend money upon such security as may be thought proper, or without any security thereof.

(d) To acquire by subscription, purchase or otherwise, and to accept, take, hold, deal in, convert and sell, any kind of shares, stock, debentures or other securities or interests in any other company, society or undertaking whatsoever.

(16) (a) To finance, lend or advance credit or other financial assistance, or to provide assistance or services for the securing of finance, lending or provision of credit or other assistance, to persons associated or dealing with the Company or to any other persons.

(b) To lend and advance money or give credit to any person, firm or company; to guarantee and give guarantees or indemnities for the payment of money or the performance of contracts of obligations by any person, firm or company; to secure or undertake in any way the repayment of money lent or advanced to or the liabilities incurred by

any person, firm or company; and otherwise to assist any person or company as may be thought fit.

- (17) To provide guarantees and grant letters of indemnity in relation to obligations or contracts of any persons, companies, firms or other organisations subsidiary or otherwise affiliated with the Company or dealing with or are customers of the Company or any other natural or legal persons, firms or bodies.
- (18) To buy out or otherwise acquire the whole or any part of the business, assets and liabilities of any company organisation, firm or person whose objects coincide in whole or in part with the objects of the Company or any of them and to carry on, receive or liquidate any such undertaking.
- (19) To establish, acquire, manage, carry on or assist, participate, undertake directly or indirectly in the establishment, acquisition, management or carry out of any occupation, act or business of any nature and to carry out any trade, work or business which may be profitably carried out by the Company in relation to, in conjunction with, or as ancillary to any other objects or activities or of the general business of the Company.
- (20) To pay monies or other things for the acquisition of any rights or property and to grant reward to any person and either in cash or by the issue of shares or other securities of the Company credited as fully or partly paid or otherwise.
- (21) To invest monies available by the Company and for that purpose to acquire, maintain, substitute, and invest, purchase or in any other way acquire either directly or through another person who acts on its behalf, shares, including its own shares, debentures or other securities, bill of exchange or other interests or rights in movable or immovable property.
- (22) To pay subscriptions or contributions for charitable, benevolent or other useful purposes of a public nature, the support of which may in the opinion of the Company contribute to the enhancement of the goodwill of the Company or its relations with its employees, customers or the public at large.
- (23)
  - (a) To contract, secure or grant, loans, or other financial, economic or credit facilities or obligations (either of the company or of another physical or legal person) with or without security in such way as the Company may consider fit and to mortgage, pledge or charge its undertaking or any part thereof, assets, movable and immovable property, present or future, wherever situate, including the unissued capital of the Company or any part thereof, to secure any loan or loans or facilities or obligations (either of the company or of another physical or legal person) and to issue bonds, promissory notes, charges, debentures, bills of exchange, securities, floating charges or debentures payable at such time and in such manner as the Company shall decide or order to achieve the above purposes.
  - (b) To borrow, raise money or secure obligations (whether of the company or any other person) in such manner and on such terms as may seem expedient, including the issue of debentures, debentures stock (perpetual or terminable), bonds, mortgages or any other securities, founded or based upon all or any of the property and rights of the company, including its uncalled capital, or without any such

security, and upon such terms as to priority or otherwise, as may be thought fit.

(c) Upon any issue of shares, debentures or other securities of the company, to employ brokers, commission agents and underwriters, and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares debentures or other securities of the company, or by the granting of options to take the same, or in any other manner allowed by law.

(d) To issue, or guarantee the issue of or the payment of interest on, the shares, debentures, debentures stock, or other securities or obligations of any company or association, and to pay or provide for brokerage, commission, and underwriting in respect of any such issue.

(24) (a) To accept mortgages, bonds, debentures, charges or other securities or facilities and to assign, transfer, amend, substitute or release same to secure the obligations either of the company or of any other physical or legal person.

(b) The supply of any type of security or indemnity in any way towards any physical or legal person and to the benefit of any physical or legal person and the security of any guaranteed amount with the granting of the same charges and /or securities as it would have been for a conclusion of a loan from the company and the provision and receipt of counter-guarantees and cross-guarantees.

(25) To sign, execute, endorse, transfer, redeem, negotiate and discount promissory notes, bonds, bills, bills of lading and other negotiable or transferable documents, instruments or titles or other mercantile documents and generally to perform any other similar transactions.

(26) To establish, promote or participate in the establishment of any company and to acquire by subscription, purchase or otherwise accept, take, hold, substitute, sell or otherwise dispose of, shares, stocks, monies, debentures or other securities or interests in any Company, body or undertaking.

(27) (a) To issue and allot fully or partly paid shares in the capital of the Company for the payment of any movable or immovable property purchased or otherwise acquired by the Company or for any services rendered to the Company and to pay in any other way for any property or service thus acquired or rendered to the Company.

(b) To issue and allot fully or partly paid shares in the capital of the company or issue debentures or securities in payment or part payment of any movable or immovable property purchased or otherwise acquired by the company or any services rendered to the company and to remunerate in cash or otherwise any person, firm or company rendering services to this company or grant donations to such persons.

(28) To enter into any agreements contract and do any act with any State, Governmental, Municipal Commune or other authority body or organisation or

with any person as in the circumstances may be considered necessary or conducive to the attainment of the objects of the Company.

- (29) To file applications and commence procedures and to take out, purchase or otherwise acquire, lease, substitute, register and use any right to patents, trade marks, licences, business names, copyrights, concessions, easements, legal powers, rights or privileges and to sell, lease or give by way of gift, assign or otherwise secure or grant licences for the use thereof.
- (30) To amalgamate or enter into partnership, participate in profits, join in any way, joint venture financial arrangement or co-operation with any natural or legal person having business either in Cyprus or abroad and carry on or engage any business work activity or act which the Company may carry on or which may in the opinion of the directors be carried on in conjunction with the business of the Company or in a way serving directly or indirectly the objects of the Company.
- (31) (a) To distribute in specie among the members any property of the Company or the proceeds of sale or disposition generally of any such property on condition that if such distribution would result in reduction of capital this shall be done as may be provided by the Law from time to time.
- (b) To sell, dispose of, mortgage, charge, grant rights or options or transfer the business, property and undertakings of the company, or any part or parts thereof, for any consideration which the company may see fit to accept.
- (c) To accept stock or shares in, or the debentures, mortgage debentures or other securities of any other company in payment or part payment for any services rendered or for any sale made to or debt owing from any such company.
- (d) To distribute in specie or otherwise as may be resolved any assets of the company among its members and particularly the shares, debentures or other securities of any other company belonging to this company or which this company may have the power of disposing.
- (e) To do all or any of the matters hereby authorised in any part of the world either alone or in conjunction with, or as factors, trustees, principals, sub-contractors or agents for, any other company, firm or person, or by or through any factors, trustees, sub-contractors or agents.
- (32) To pay all charges expenses and costs relating to the promotion and formation of the Company or which the Company shall consider to be in the nature of preliminary expenses, including study, fees, consultancy fees, printing stationery and other related expenses.
- (33) To establish, participate, finance and maintain or contribute to the establishment and maintenance of any pension, provident fund or other benefits with or without contributions or for the welfare or assistance of any persons which are or at any time have been in the employment of the Company or in



any other company which is subsidiary, associated or in any other way connected to the Company or persons who have been directors or officers of the Company or of any subsidiary or associated company as above, or the spouses, widows, widowers, families or the dependants of any such persons and to pay or otherwise contribute to the granting to such persons of donations, bonuses, pensions, grants, contributions or other assistance.

- (34) To register or recognise in any other country and to comply with any terms and conditions enabling the Company to carry on business and to establish in any such country offices, branches or agencies in order to achieve the objects of the Company.
- (35) To carry out any of the above activities, business, acts or works in any place in the world and either by the Company acting in its name and for its own account or as agent, broker, contractor, executor or otherwise and either alone or in conjunction with others and either directly or through agents, attorneys, contractors, subcontractors, nominees or otherwise.
- (36) To adopt, acknowledge, ratify and perform any contract, act or transaction entered into or made for account or on behalf of the Company before incorporation with or without modifications as the directors may think fit.
- (37) To undertake and carry out any other business, act or activity which in the opinion of the directors may be carried out usefully, incidentally or in parallel with any other object or business of the Company or which may enhance directly or indirectly the value, usefulness or productivity of any of the business, work, assets or rights of the Company.
- (38) To mortgage and/or encumber the whole or part of its movable or immovable property for the security and/or guarantee of a loan or any other *facility*, either bank or otherwise, provided to the Company itself or to any third party, either natural or legal, related to the Company or not.
- (39) Generally to do all such other things as may appear to the Company to be useful, incidental or conducive to the attainment directly or indirectly of the above objects or any of them.

And it is hereby declared that in interpreting this paragraph the powers conferred on the Company by any sub-paragraph hereof shall not be limited or restricted in any way by reference to any other sub-paragraphs or the name of the Company and each sub-paragraph shall be interpreted independently as if each one of them contained the main object of the Company.

And it is further declared that where in this paragraph the word "company" does not refer to this Company shall be deemed to include any company or body corporate with limited liability or not or other legal person whether same has been incorporated under the Laws of Cyprus or any other State. And the word "person" (unless the context expressly otherwise requires) shall be deemed to include a legal person.

- (40) Notwithstanding the above mentioned objects, powers and other provisions the Company (a) shall not provide any financial services other than to its shareholders or bodies corporate in its group of companies; (b) shall not assume, directly or indirectly, any obligations to the public, whether in the form

of deposits, securities or other evidence of debt and (c) shall not act as professional trustee.

For the purposes hereof the term "financial services" means dealing in investments, managing investments, giving investment advice or establishing and operating collective investment schemes. The term "investment" means shares, debentures, government and public securities, warrants, certificates representing securities, units in collective investment schemes, options, futures, contracts for differences and long-term insurance contracts. For the purposes hereof the term "public" does not include banking or credit institutions, the company's shareholders or bodies corporate in its group of companies. The term "deposits" does not include sums of money receive on terms which are referable to the provision of goods or services other than "financial services" as defined hereinabove. The term "debt" does not include credit obtained in relation to the provision of goods or services. The term "professional trustee" means a company which offers its trustee services to the public at large and which makes or intends to make representations in soliciting trust business, i.e. establishing, undertaking, executing and administering of trusts, and which advertises or intends to advertise the fact that is qualified and/or authorized by law or practice to offer trustee services to the public.

It is hereby expressly declared that each sub-clause of clause 3 above shall be construed independently of any other sub-clause thereof and that none of the objects mentioned in any of the above sub-clause shall be deemed to be merely subsidiary to the objects mentioned in any of the other above sub-clause.

4. The liability of the members is limited.
5. The share capital of the Company is EURO € 00 000 divided into 00 000 shares of EURO € 0,00000 each ( \_\_\_\_\_ ). The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential rights, privileges, conditions or restrictions or especially as regards divided capital voting or otherwise.

**TRANSLATED  
TRUE COPY**

**FOR REGISTRAR OF COMPANIES**

THE COMPANIES LAW, CAP. 113

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

COMPANY

**COMPANY SERVICES LIMITED**

**PRELIMINARIES AND INTERPRETATION**

1. The Company is a private company and accordingly:
  - (a) the right to transfer shares is restricted in the manner hereinafter prescribed;
  - (b) the number of members of the Company (excluding persons in the employment of the company and persons who having been formerly in the employment of the Company were, while in such employment and have continued after the termination of such employment, to be members of the Company) is limited to fifty. Provided that where two or more persons hold one or more shares in the Company jointly, they shall for the purpose of this regulation be treated as a single member;
  - (c) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited;
  - (d) the Company shall not have power to issue share warrants to bearer.
2.
  - (a) Subject to the following regulations, the regulations contained in Part I of Table A of the First Schedule of the Companies Law Cap 113 (hereinafter called Table A) with the exception of regulations 24, 25, 53, 60, 62, 75, 79, 82, 89 to 94, 98, 99, 106 and 113, shall apply to the Company but in case of change or inconsistency or doubt between Table A and these regulations the present regulations shall prevail.
  - (b) the Company maybe incorporated and/or operate as a private company limited by shares with one member. In such a case the regulations contained In part 1 of Table A of the First Schedule of the Companies Law Cap 113, with the exception of regulations 24, 25, 53, 60, 62, 75, 79, 82, 89 to 94, 98, 99, 106, 111 (a), 112 and 113, shall apply to the Company but in case of change or inconsistency or

doubt between these regulations and Table A, (with the exception of regulations 24, 53, 111 (a) and 112) the present regulations shall prevail.

(c) Provided that when the company has a sole member, Part III of Table A of the First Schedule of the Companies Law, CAP 113 is adopted.

3. Unless from the text is evidenced differently, words, or phrases which are in these regulations will have the same meaning as that of the Law or at any amendment when these Articles of Association become binding for the Company.

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

4. The Company may from time to time by special resolution increase its share capital by such amount to be divided in shares of such amount and to be issued to such persons and under such terms as the resolution may prescribe.
5. The unissued shares in the initial or increased capital of the Company shall, subject to any special resolution of the Company, first be offered to the members in proportion as nearly as possible to the nominal value of the shares held by them. Any such offer shall be opened for acceptance for a period of not less than 6 weeks from the dispatch thereof. Any shares not accepted within the said period shall be at the disposal of the directors who may allot, offer or otherwise dispose of them to such persons at such times and on such terms as they may think proper.
6. (a) Subject to the regulations of these Articles, the shares shall be at the disposal of the directors who shall have power to issue, allot, distribute or in general dispose of them to any persons at any time with or subject to any preferential, special, defined or deferred rights or terms as to dividends, repayment of capital, voting rights, participation in surplus assets or such other terms and conditions as they may deem appropriate.
- (b) Subject to the provision of section 112 of the Law and of these Articles, the Company may if so wish, by a decision of the board of Directors and if this is communicated to it in writing, to acknowledge the existence of a trust in any share and even if this trust can not be recorded in the register of Members. This acknowledgement by the Company is becoming known with a letter to the trustees and is irrevocable, once the trust continues to be in existence and irrespectively of the fact that the trustees or part of them have been replaced.

### **LIEN**

7. In regulation 11 of Table A the words "not being a fully paid share" and "other than fully paid shares" shall be omitted.
8. No member shall charge any share by way of pledge or security as security for any loan or obligation without the former consent in writing of the directors and the directors shall refuse to register or recognise any such lien or security given in contravention of this regulation. Any pledge or security given in contravention of this regulation shall be deemed void as against the Company.

### **CALL ON SHARES**

9. In regulation 15 of Table A the words "provided that no call shall exceed one fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call" shall be omitted.

### **TRANSFER OF SHARES**

10. The directors may in their absolute discretion and without assigning any reason, decline to register a transfer of any share whether fully paid or not to a person which they do not approve and may also decline to register a transfer of share on which the Company has a lien or a transfer the registration of which would cause the number of members to exceed the number permitted under regulation 1.
11. Regulations 22 and 23 of Table A shall be read and applied subject to the provisions of regulation 12 of these Articles.
12.
  - (1) For the purposes of this regulation where a person is entitled to be registered as the holder of any share in the Company he and not the registered holder of such share shall be deemed to be a member of the Company in respect of that share.
  - (2) Subject as hereinafter provided no share shall be transferred to a person who is not a member unless and until the rights of preemption hereinafter conferred shall have been exhausted.
  - (3) Every member who desires to transfer any share or shares (hereinafter called the vendor) shall give to the Company notice in writing of such desire (hereinafter called transfer notice). The transfer notice must state the amount considered by the vendor as reasonable price, and such transfer notice shall constitute the Company as the vendor's agent for the sale of the shares to any members of the Company (hereinafter called the buying members) at the price fixed as aforesaid or if the buyers so elect, at the reasonable price fixed by the Company's auditor (hereinafter called the "Auditor") under sub-paragraph (7) below. A transfer notice cannot be revoked except with the previous permit of the directors.
  - (4) As soon as the price of the shares offered for sale is fixed, as provided in this regulation, the Company shall have the obligation to give notice in writing about it to all members which shall state the number and price of the shares offered for sale. This notice must also include an invitation by the Company to all its members to state in writing, within twenty eight days from such notice, whether they wish to buy any of the shares offered for sale and in case of an affirmative answer, the maximum number of shares they wish to buy.
  - (5) Upon expiration of the aforesaid time limit of twenty eight days, the Company shall distribute the shares offered for sale to the members who have expressed their wish to buy them in accordance with the above provisions and in case such members are more than one, shall distribute the said shares as far as possible to the proportion of the shares that such members

already hold. No member shall be obliged to buy more shares than the number he had specified.

- (6) After the distribution of the shares by the Company as aforesaid, the Company shall have the obligation to notify this to the vendor. Upon such notification and upon payment of the reasonable price determined under paragraph (3) or (7) of this regulation, the vendor shall be obliged to transfer the shares to the buyers.
  - (7) In case of dispute between the vendor and the buying members or any of them, as to the reasonable price of any share, the Auditor shall, upon request submitted by any of the interested parties, certify in writing the amount which in his opinion represent the reasonable price and such amount shall be considered as the reasonable price of the shares. The Auditor in exercising the above power shall be considered to be acting as an expert and not as arbitrator and consequently the provisions of the Arbitration Law Cap. 4 shall not apply.
  - (8) In case the vendor omits to transfer the shares which he is obliged to transfer under the above provisions, the Company shall proceed to collect the consideration for the shares and shall register in the Register of Members the names of the buying members as beneficial holders. The consideration received as above shall be held by the Company as trustee for the vendor and a receipt by the Company of the consideration shall constitute a discharge of the buying members from the obligation to pay same. And upon the entry of their names on the Register of Members under this regulation no dispute can be entertained as to the validity of this procedure by any person.
  - (9) In case where the sale of all the shares offered for sale is not achieved in the manner above provided, the vendor shall be at liberty at any time within the period of 3 months after the expiration of the said period of 28 days, and subject to regulation 10, to sell and transfer any of the undisposed shares to any person and at any price.
13. The restrictions contained in regulation 12 shall not apply, but subject nevertheless to the other provisions of these regulations, to a transfer of shares:
    - (a) approved by a unanimous resolution of the directors or special resolution of the Company;
    - (b) by a member to its spouse or a descendant or brother, or sister; or
    - (c) by a member to a company substantially controlled by it or in the case a member being a corporate body to its holding or subsidiary company.
  14. Subject to the provisions of these articles no transfer shall be registered except upon delivery of a valid instrument of transfer in the common form or a form prescribed by the directors signed by both the transferor and the transferee or their authorized agents and any other evidence as the directors may require to show the right of the transferor to make the transfer.
  15. In regulation 29 of Table A, between the words "personal representatives" and "of the deceased" there shall be inserted the words "or, in the absence of such personal

representatives, the heirs".

### **PROCEEDINGS AT GENERAL MEETINGS**

16. No business shall be transacted at any general meeting unless there is a quorum when the meeting proceeds to business. Save as otherwise provided in these Articles any members present in person or by proxy and holding more than half of the shares issued for the time being shall constitute a quorum. Subject to the provisions of the Law, resolutions and questions arising at a General Meeting shall be decided by a majority of votes.
17. In regulation 58 of Table A the words "at least 3 members" in sub-paragraph (b) shall be substituted by the words "any member" and sub-paragraphs (c) and (d) shall be deleted.
18. Subject to any rights or restrictions for the time being attached to any share or class of shares every member present in person or by proxy shall have on a show of hands one vote and on a secret poll every such member shall have one vote for each share of which he is the holder.
19. Subject to the provisions of the Law a resolution in writing duly signed by or on behalf of all the members of the Company entitled at all material times to receive notice of and attend and vote at General Meetings, or by their duly authorized representatives, shall be as valid and effective as if the same had been passed at a General Meeting duly convened and held.

### **DIRECTORS**

20. Unless and until otherwise determined by the Company in General Meeting the number of directors shall not be more than ten. Whensoever the minimum number of the Directors shall be one, a sole Director shall have authority to exercise all the powers deriving from Table A and from these vested in the Directors generally.
21. The first directors shall be appointed by the subscribers of the Memorandum of Association of the Company or the majority thereof and it shall not be necessary to convene a General Meeting for that purpose.

### **BORROWING POWERS BY DIRECTORS**

22. The directors may enter into and conclude loan agreements without any limit as to the amount borrowed or secure other credit or financial facilities and mortgage or charge all or any part of all the undertaking and property of the Company, present and future, including its unissued capital or any part thereof and issue debentures, floating debentures, mortgage debentures, fixed charges, bonds, promissory notes or other securities payable to bearer or otherwise and whether permanent or redeemable and either outright or as security for any loan, debt, liability or obligation of the Company or any third person.  
Such debentures, floating debentures, mortgage debentures, fixed charges, debentures stock, promissory notes, bonds or other securities may be issued at a discount, at a premium or otherwise and with such powers as to redemption,

surrender, drawings, issue of shares or otherwise as the directors may think fit or proper.

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

23. The business of the company shall be managed by the directors, who may pay all expenses incurred in promoting and registering the company, and may exercise all such powers of the company as are not, by the Law or by these Articles, required to be exercised by the company in general meeting, subject, nevertheless, to any of these Articles, to the provisions of the Law and to such regulations, being not inconsistent with the aforesaid Articles or 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 could have been valid if that regulation had not been made.
24. The directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
25. Paragraphs (2) and (4) of regulation 84 of Table A shall not apply in the Company. Any director or any company or partnership of which a director is shareholder, partner or director, may enter into any contract with the Company as if he was not a director and have any benefit or profit accrued to him through such contract. A director may vote on any matter relating to such contract or any other arrangement notwithstanding that he may have an interest therein as well as on any matter relating to his appointment in any office or post in the Company on reward or on the settlement of the terms of such appointment and he may participate in the quorum at any meeting of the board of directors before which such matter shall be discussed.
26. Any director who on the request of the Company or the board of directors offers any special or extra ordinary services or acts in his professional capacity for the Company or travels or resides at any place other than his usual residence for the purpose of performing his duties shall be paid such additional fees or remuneration as the directors may decide.
27. The directors may grant retirement pensions or annuities or other gratuities or allowances, including allowances on death, to any person or to the widow or dependants of any person in respect of services rendered by him to the Company whether as managing director or in any other office or employment in the Company or indirectly as an officer or employee of any subsidiary of the Company, notwithstanding that he may be or may have been a director of the Company and may make payments towards insurance or trusts for such purposes in respect of such persons and may provide for rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person.
28. Including, but not limited by the below listed, the Director is entitled to:



- determine the prime line of the Company's activity;
- convene annual and special meetings of shareholders;
- make decisions on participation of the Company in other enterprises;
- appoint Secretary and other officers of the Company;
- fix salaries for the employees;
- establish, use and wind up reserves and other funds of the Company;
- announce the payment of dividends;
- appear before legal, political or administrative authorities of any country, department, province, municipal or political unity of any country of the world and represent the Company, which also entitles him to participate in legal actions, agree, introduce changes, argue with opponents, submit the case to the arbitrary court, and to perform actions that may be necessary or beneficial to the Company;
- make and execute any agreements and contracts that may be necessary to sign with other companies, corporations, partnerships and enterprises and other establishments;
- draw, accept, guarantee and decrease bills of exchange, drafts, cheques and other credits, open, operate and close current, saving and other bank accounts, make deposits, to deposit securities and withdraw them when needed;
- to make out cheques on the Company current accounts, pay the cheques, drawn for the Company, to enter into credit agreements concerning the accounts, make mortgages and pledges of any types and on any terms and conditions;
- apply for the registration of trade marks, patents and other industrial properties, if it is necessary in order to protect the business activity of the Company;
- make business purchases, sell using the Company account and insure goods and property of the Company and to sign bills and any other documents, including customs and postal documents, necessary for export or import of goods or mail;
- set up any branches, affiliates and representative offices of the Company in any part of the world and appoint, remove and change any officers, fix their salaries,
- issue and sign Powers of Attorney (Special and General) in favor of third parties;
- pay all taxes, contribution, fees of any kind, which the Company is to pay, and to argue these payments if the Company finds them wrong;
- to decide when and how many (but not more than prescribed by the Memorandum) shares to issue and at what price to sell them;
- make other decisions under the legislation.

### **DISQUALIFICATION AND ROTATION OF DIRECTORS**

29. In regulation 88 of Table A sub-paragraphs (a) and (f) shall be omitted.
30. In regulation 95 of Table A the words "but shall not be taken into account in determining the directors who are to retire by rotation at such meeting" shall be deleted.

### **MEETINGS OF DIRECTORS**

31. The directors may convene for business, to adjourn and generally to regulate their meetings as they may deem fit. Matters arising at any meeting shall be decided by majority. Any director may, and the Secretary shall at the request of any director, summon a meeting of the directors. Notice of the meeting shall be served to all directors or their alternates.
32. The quorum necessary for the transaction of business of the directors may be fixed by them by a unanimous decision and until so fixed one director shall form a

quorum. An alternate director shall be taken into account for the purpose of determining a quorum.

33. The meetings of the directors may be convened and held either in Cyprus or abroad and at such place and time as the directors may decide.
34. A resolution in writing signed or approved by letter, telegram, cablegram, telex or facsimile or other similar means by all the directors or their alternates shall be as valid and effective as if same had been approved at a meeting of the directors duly convened and held and when signed it may consist of several documents each one signed by one or more of the persons aforesaid.

#### **ALTERNATE DIRECTORS**

35. (1) Each director shall have power from time to time to nominate any other director or any other person to act as his alternate and at his discretion to remove such alternate director. The appointment or removal of an alternate director shall be made by letter, cable, telex or facsimile to the Company.
- (2) An alternate director shall be subject in all respects to the terms existing with reference to directors (except as regards power to appoint an alternate and remuneration) and he shall be entitled, to receive notice of the directors' meetings and to attend, speak and vote thereat. An alternate director shall be entitled to a separate vote for each director for whom he acts independently and in addition to his own vote if he is himself a director.
- (3) The appointment of an alternate director shall automatically come to an end in case the director who appointed him shall for any reason cease to be a director for whatever reason.
- (4) A director shall not be liable for the acts or defaults of any alternate appointed by him.

#### **MANAGING DIRECTOR**

36. The appointment of a managing director shall require the written consent of the majority of the shareholders and, without prejudice to any right to treat such termination as a breach of any agreement entered into, shall be deemed to be terminated if for any reason he ceases to be a director or in case the Company by ordinary resolution decides that such appointment be terminated.
37. The directors may from time to time entrust and assign to the managing director any of their powers upon such terms, conditions or restrictions as they may think fit or necessary to enforce or impose and from time to time to revoke or vary such authorities.
38. The directors may from time to time appoint a person as manager and confer, entrust and assign to him any of their powers upon such terms, conditions or restrictions as they may think fit or necessary to enforce or impose and from time to time to revoke or vary such authorities.

#### **SECRETARY**

39. The secretary shall be appointed by the directors for such term, at such

remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

A person who is: -

- (a) the only one director of the Company or
- (b) a legal person of which its sole director is the sole director of the Company or
- (c) the sole director of a legal person which is the sole director of the Company

will not be appointed as secretary.

The providence of the paragraph 39 will not be effected in case of one member Company.

- 40. The directors have power to appoint at any time and from time to time any person as assistant secretary or as alternate secretary.
- 41. A provision of the Law or these articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary. The present regulation will not be effected in case of one member Company.

#### **SEAL**

- 42. (a) The seal of the company shall only be used by the authority of the directors and on any document to which the seal shall be affixed shall be signed by one director or alternate director or the secretary or by some other person appointed by the directors. The seal of the company may be used as provided above by the above persons in Cyprus or abroad.
- (b) Any document, signed on behalf of the Company, in the Republic of Cyprus or elsewhere, by any person acting on the basis of express or implied authorization, shall have the same effect as if it were under the common seal of the Company.
- (c) The company may have official seal in addition to the above seal which will be as provided in article 36 (1) of the Law and may be used for the purposes mentioned therein.

#### **NOTICES**

- 43. In regulation 134 paragraph (a) is deleted and substituted by the following "(a) all the members".
- 44. Any notice or other document may be served by the Company to any member either personally or by post to him to the address shown in the Register of Members or any other address given by him for such purpose. A notice may also be served to any member by post, telex or facsimile, telegram or any other similar means to a number indicated by the member and in such case service shall be deemed to have been effected at the time of dispatch. Where a notice is sent by post service of the notice

shall be deemed to be effected by properly addressing, prepaying and posting a registered letter containing the notice and to have been effected, in the case of a notice of meeting, at the expiration of 24 hours after the letter containing the same is posted and in any other case at the date on which delivery takes place in the ordinary course of things by the Postal Authorities.

### **INDEMNITY**

45. Every director or other officer of the Company shall be indemnified out of the assets of the Company against any losses or liabilities which he may sustain or incur in or about the execution of his duties including liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 383 of the Law in which relief is granted to him by the Court and no director or officer of the Company shall be liable for any loss, damage or misfortune which may occur to or be incurred by the Company in the execution of his duties or in relation thereto.

**TRANSLATED  
TRUE COPY**

**FOR REGISTRAR OF COMPANIES**