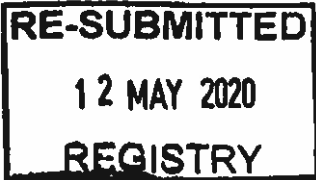
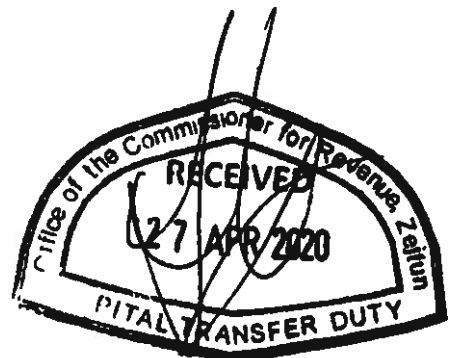


02400



COMPANIES ACT, 1995

PUBLIC LIMITED LIABILITY COMPANY
MEMORANDUM AND ARTICLES OF ASSOCIATION
OF
SHORELINE MALL PLC



MEMORANDUM OF ASSOCIATION

OF

SHORELINE MALL PLC

1. NAME

The name of the Company is **Shoreline Mall p.l.c.**

2 PUBLIC COMPANY

The Company shall be a public limited liability company

3 REGISTERED OFFICE

The registered office of the Company shall be situated at Suite 407, Level 4, Block SCM01, Smart City Malta, Ricasoli, Kalkara SCM 1001, Malta or at such other address as the Board of Directors may from time to time determine

4 OBJECTS

The objects of the Company shall be

- (a) To acquire, hold, manage, improve, operate, maintain, immovable property in particular shopping malls, complexes and centres and grant on lease any moveable and immovable property for a definite period of time to third parties, whether for a determined purpose or otherwise;
- (b) To carry on the business of a holding company and therefore to subscribe for, take, purchase, participate in or otherwise acquire, hold, manage, sell or otherwise dispose of, and deal in any manner whatsoever in, shares, stock, debentures, bonds, notes or other securities whatsoever solely for and on behalf of the Company, and options, warrants or other rights or interests whatsoever in any such securities of, and any interests whatsoever in, any company in any other part of the world as the Company may determine and in such manner, under such terms and conditions and for such consideration as the Company may think fit,
- (c) To apply for, register, purchase, or by other means acquire, hold, develop, exploit, protect, renew and dispose of, under any title, any intellectual property, including without limitation, software, licences, service marks, trademarks, patents, patent rights, marketing authorisations for regulated goods and substances, royalties, URLs, domain names, brand names, secret processes, designs, copyrights, grants, options, protections and concessions and other exclusive and non-exclusive rights, and to grant licences or other rights in respect thereof,

- (d) To issue bonds, commercial paper or any other instruments creating or acknowledging indebtedness and to sell or offer the same to the public,
- (e) To subscribe for, acquire, hold, dispose of or otherwise deal with any shares, stock, debentures, debenture stock, bonds, notes, options, interest in or securities of all kinds of any company, corporation, entity, partnership or other body of persons;
- (f) To purchase, take on lease, exchange, or acquire by any title, including temporary or perpetual emphyteusis and sub-emphyteusis, or otherwise deal in and hold for the purpose of development or re-sale, land and buildings and any estate or interest in and right connected with any such lands and buildings,
- (g) To purchase, take on lease, exchange or otherwise acquire under any title, and to sell, give on lease, exchange or otherwise dispose of under any title, and to charge or hypothecate, in whole or in part, or otherwise turn to the advantage of the Company, and to develop, any movable or immovable property, rights, privileges and interests which the Company may consider necessary or convenient for its purposes for such consideration and under such terms and conditions as the Company may think fit,
- (h) To subscribe for, take, purchase, sell, invest in, exchange or otherwise acquire, hold, manage, develop, deal with and turn into account any bonds, debentures, shares (whether fully paid or not), stocks, options or securities of governments, states, municipalities, public authorities, or public or private, limited or unlimited companies, and whether on a cash or margin basis and including short sales and to lend or borrow money against the security of such bonds, debentures, shares, stocks, options or other securities,
- (i) To guarantee the repayment of indebtedness of any person although not in furtherance of its corporate purpose, and whether or not the Company receives any consideration or derives any direct or indirect benefit therefrom, and to secure such guarantee by means of a hypothec, pledge, privilege, lien and/or mortgage over the assets of the Company,
- (j) To borrow or raise finance in connection with the ownership, development, operation and financing of its business activities on such terms as the Directors may deem expedient, and also to invest and deal with the moneys of the Company in or upon such investments and in such manner as the Directors may, from time to time, deem expedient
- (k) To undertake and carry on any other trade or business within the scope of the Company's objects and all operations and transactions which can be carried on by the Company in connection with or as ancillary to the business of the Company,
- (l) To invest, lend and deal solely for and on behalf of the Company with the moneys of the Company not immediately required, without limitation in such property, investments, and instruments or upon such security and in such manner, as the Company may from time to time deem desirable;
- (m) To enter into partnership or amalgamate with any person or body of persons for the purpose of carrying on any business or transaction within the objects of the Company, and for such purpose to enter into such arrangements for co-operation, sharing profits and losses, mutual assistance, or other working arrangements as may seem desirable, in fulfilment of the Company's objects;

- (n) To open, manage, and close bank accounts in any jurisdiction,
- (o) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

Nothing in the foregoing shall be construed as empowering or enabling the Company to carry out any activity or service which requires a licence or other authorisation under any law in force in Malta without such a licence or other appropriate authorisation from the relevant competent authority and the provisions of Article 77(3) of the Companies Act shall apply.

5 LIMITED LIABILITY

The liability of the Members of the Company is limited to the amount, if any, unpaid on the issued shares respectively held by them

6 SHARE CAPITAL

- (a) The authorised share capital of the Company is twenty one million Euro (€21,000,000) divided into twenty million nine hundred and ninety nine thousand, nine hundred and ninety nine (20,999,999) Ordinary A Shares of one Euro (€1) each and one (1) Ordinary B Share of one Euro (€1)
- (b) The issued share capital of the Company shall be of twenty one million Euro (€21,000,000) divided into sixteen million five hundred seventy-five thousand nine hundred ninety-eight (€16,575,998) Ordinary 'A' Shares of one Euro (€1) each fully paid up, four million four hundred and twenty-four thousand and two (4,424,002) Ordinary 'A' shares of one Euro (€1.00) each, thirty-three point nine, zero, six percent (33.906%) paid up and one (1) Ordinary B Share of one Euro (€1) fully paid up, which shares have all been subscribed and paid up as follows

(1)	Shoreline Holdings Limited Company Registration No. 86187 Suite 407, Level 4, Block SCM01 Smart City Malta, Ricasoli Kalkara SCM 1001 Malta	16,575,997 Ordinary A Shares 100% paid up
(2)	Shoreline Residence Limited Company Registration No. C77212 Suite 407, Level 4, Block SCM01 Smart City Malta, Ricasoli Kalkara SCM 1001 Malta	4,424,002 Ordinary A Shares 33.906% paid up 1 Ordinary B Share 100% paid up

Ordinary 'A' shares shall grant the right of one (1) vote for every share held and are participating shares entitled to receive dividend distributions as deemed fit by the Board of Directors, whereas, Ordinary 'B' shares shall not carry any right to receive dividends, shall not be entitled to any assets upon dissolution or winding up of the Company and shall not carry any right to vote at general meetings of the Company, but shall be entitled to receive notice of any general meeting of the Company.

Save as may be expressly provided in this Memorandum and in the Articles of Association of the Company or by the respective terms of issue, all ordinary shares in the Company (whatever their class and nominal value) shall rank pari passu for all intents and purposes of law.

7 DIRECTORS

- (a) The management and administration of the Company's affairs shall be entrusted to a Board of Directors consisting of not less than one (1) and not more than nine (9) Directors
- (b) The Directors mentioned in this Memorandum of Association and other Directors who may from time to time be elected or appointed shall be so elected or appointed until death, becoming of unsound mind, is convicted of any crime punishable by imprisonment, declared bankrupt during his term of office, or such time as they resign or are removed from office by the shareholders in general meeting
- (c) The Directors of the Company shall be

**Kevin Deguara
122, Triq Antonio Schembri
Kappara San Gwann, Malta
Maltese ID Card no. 97877M**

**Jean C. Farrugia
No. 9
Mons F.X. Zahra Street
Balzan
Malta
Maltese ID Card no. 244176M**

**Ryan Otto
Block T 10B, Flat 59
Tigne Point
Sliema
Malta
Maltese ID Card No. 592217L**

**Roderick Psaila
The Three Doves
25th November Avenue
Zejtun ZTN 2018
Malta
Maltese ID Card No. 476571M**

Benjamin Muscat
T5F5, Caravaggio Court
Tigne' Point TP01
Malta
Maltese ID Card No. 447054M

Robert Ancilleri
'Cheyenne'
Triq tas-Sisla,
Birkirkara BKR13,
Malta
Maltese ID Card No. 457574M

Charles Scerri
The Penthouse, Carolina Court,
Guzeppi Cali Street,
Ta' Xbiex XBX1425,
Malta
Maltese ID Card No. 183165M

8 LEGAL & JUDICIAL REPRESENTATION

The legal representation of the Company shall be exercised by any one director acting alone or, in addition and without prejudice to the aforesaid the Board of Directors may, from time to time, appoint any other person or persons to represent the Company in a specific case or cases

Any one director may represent the Company in judicial proceedings, provided that no proceedings may be instituted by the Company without the Board's authority

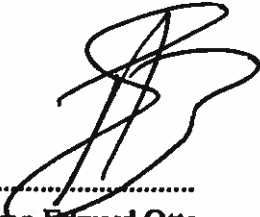
9 COMPANY SECRETARY

The company secretary shall be

Jean C. Farrugia
No. 9
Mons F.X. Zahra Street
Balzan
Malta
Maltese ID Card no. 244176M

10 STATUS


This Company is being formed and registered as a public limited liability company



.....
Ryan-Edward Otto
Director
For & On behalf of Shoreline Holdings Limited
Company Registration No. C 86187



.....
Jean Carl Farrugia
Director
For & On behalf of Shoreline Holdings Limited
Company Registration No. C 86187



.....
Kevin Deguara
Director
For & On behalf of Shoreline Residence Limited
Company Registration No. C 77212

ARTICLES OF ASSOCIATION

OF

SHORELINE MALL PLC

PRELIMINARY

1 The regulations contained in Part I of the First Schedule to the Companies Act, 1995 (such Schedule being hereinafter called the 'First Schedule') shall apply to the Company save in so far as they are excluded or varied hereby

2 In these Articles, unless the context otherwise requires.

“the Act” means the Companies Act, 1995, and any modifications or re-enactment thereof for the time being in force,

“these Articles” means these Articles of Association or as may from time to time be in force,

“the Auditors” means the Auditors of the Company as shall be appointed from time to time,

“Business Day” means a day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Malta,

“the Company” means Shoreline Mall p l c ,

“Debt Securities” means debentures, including debenture stock, loan stock, bonds and other instruments creating or otherwise acknowledging indebtedness, but excluding such instruments that are issued as debt securities but that afford the holder thereof the option or right to be converted into the share capital of the Company,

“the Directors” means the Directors for the time being of the Company,

“Equity Securities” means shares and other transferable securities equivalent to shares, as well as any other type of transferable securities giving the right to acquire any of the aforementioned securities as a consequence of their being converted or the rights conferred by them being exercised, provided that securities of the latter type are issued by the Company or by an entity belonging to the Group,

“the Exchange” means the Malta Stock Exchange as established by the Financial Markets Act, Chapter 345 of the Laws of Malta,

“Extraordinary Resolution” means a means a resolution taken at a general meeting of the Company of which notice specifying the intention to propose the text of the resolution as an extraordinary resolution and the principal purpose thereof has been duly given and passed by a Member or Members having the right to attend and vote at such meeting holding in the aggregate not less than seventy-five per cent (75%) in nominal value of the shares conferring that right

“Listed” means quoted on the Exchange,

“Listing Authority” means such person or body appointed in terms of the Financial Markets Act, Chapter 345 of the Laws of Malta,

“Listing Rules” means the listing rules issued by the Listing Authority,

“Member” means a holder of an ordinary share in the Company,

“the Office” means the registered office for the time being of the Company,

“Ordinary Resolution” means a resolution taken at a general meeting of the Company passed by a Member or Members having the right to vote at such meeting holding in the aggregate more than fifty-one per cent (51%) in nominal value of the shares represented and entitled to vote at the meeting,

“person” means any person, whether natural or legal,

“the Register” means the Register of Members of the Company required to be kept by the Act,

“Transferable Securities” shall have the same meaning assigned to it in the Second Schedule to the Investment Services Act, Chapter 370 of the Laws of Malta,

“in writing” and “written” includes printing, lithography, typewriting, photography and other modes of representing or reproducing words in visible form,

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

Words importing the masculine gender only shall include the feminine gender

Any reference herein to the provision of any law shall extend to and include any amendment or re-enactment of or substitution for the same effected by any subsequent law

Subject as aforesaid, and unless the context otherwise requires, words and expressions defined in the Act shall bear the same meanings in these Articles

SHARE CAPITAL AND SHARE RIGHTS

3 Each and every fresh issue of shares shall be made in such a manner so as to preserve, as nearly as possible, the existing proportion between the different shareholders, provided that no fresh issue of shares shall be made unless the existing shares have been fully paid up

4. Without prejudice to any special rights previously conferred on the holders of any of the existing shares or class thereof, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Members may from time to time determine, as hereinafter provided, provided that any issue of shares falls within the Company’s authorised share capital

5 All Transferable Securities of a particular class listed on the Exchange shall carry equal rights

6 Subject to the provisions of the Act, all Shares from time to time unissued shall be at the disposal of the Members in general meeting, which may by means of ordinary resolution of the Members offer, allot, grant options over or otherwise dispose of to such persons at such times and on such terms as may be determined.

7 The Directors, may if they deem fit, cause any of the Shares or Debt Securities of the Company, irrespective of their class, whether issued or to be issued pursuant to these Articles, to be quoted and listed on the Exchange

8 Subject to the provisions of the Act, any preference shares may, with the sanction of an ordinary resolution of Members, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Members, before the issue, may by ordinary resolution determine

9 In respect of a Share held jointly by several persons, the joint holders may nominate one of them as their representative and his name will be entered in the register of members. Such person shall for all intents and purposes be deemed, vis-à-vis the Company, to be the registered holder of the Shares so held. In the absence of such nomination, and until such nomination is made, the person first named on the register in respect of such Shares shall for all intents and purposes be deemed to be the registered holder of the Shares so held.

10. In respect of a Debenture held jointly by several persons, the joint holders may nominate one of them as their representative and his name will be entered in the register of members. Such person shall for all intents and purposes be deemed, vis-à-vis the Company, to be the registered holder of the Debentures so held. In the absence of such nomination, and until such nomination is made, the person first named on the register in respect of such Debentures shall for all intents and purposes be deemed to be the registered holder of the Debentures so held.

11 Subject to the provisions of this article and unless the Members in general meeting approve by means of an ordinary resolution, on a fresh issue of Shares of each class, such shares shall be offered in the first place to the members holding Shares of that class, as closely as possible in the same proportion as the number of shares of that class already held by them respectively. The offer shall be made by notice in writing specifying the number of Shares offered and their value and stating a time, being not less than twenty-eight (28) days within which the offer, if not accepted, shall be deemed to have been declined.

12 Any shares not taken up by a Member to whom they were initially offered shall then be offered as aforesaid to the other Members of that class who shall have taken up their whole offer and, if the requests for Shares from such other Members shall exceed the number of Shares on offer and not taken up, they shall be allotted as closely as possible in proportion to the number to the number of Shares held by them respectively prior to the said fresh issue of Shares. Any remaining Shares shall then be offered as aforesaid to the Members of the other class/es of Shares as closely as possible in proportion to the number of Shares held by them respectively. If the requests for Shares from such Members shall exceed the number of Shares on offer and not taken up, they shall be allotted as closely as possible in proportion to the number of Shares held by them respectively prior to the said fresh issue of Shares. Any remaining Shares may then be offered to non-Members on terms and conditions which shall not be more favourable than the offer made to the Members.

13. No Director shall be eligible to participate in the issue or allotment of Shares offered to the employees of the Company without the prior approval of the shareholder in general meeting

14 Whenever there are preference Shares in issue, the holders thereof shall have the same rights as holders of ordinary Shares in receiving notices, reports, balance sheets and in attending general meetings

15 Without prejudice to any rights that may be granted to persons holding preference Shares in the relative terms of issue, such persons shall not, as holders of preference, have the right to vote at general meeting, except on a resolution for the purpose of.

- (i) Reducing the capital of the Company, or
- (ii) Winding up of the Company, or
- (iii) Any proposal submitted to the meeting which directly affects their rights and privileges, or
- (iv) Effecting the dividend on preference shares when the dividend on their Shares is in arrears for more than six (6) months

16 Unless otherwise provided in the terms of issue of preference Shares, on any resolution where, in terms of the provisions of Article 14, Members holding preference Shares are entitled to vote, each preference Share shall entitle its holder to one (1) vote

17 The Company is authorized to acquire its own shares in accordance with Sections 106 and 107 of the Act

18 The Company shall not issue Shares in such a way that would dilute a substantial interest without prior approval of the shareholders in general meeting

TRANSFER AND TRANSMISSION OF SHARES

19 There shall be no restriction on the right to transfer Transferable Securities which are authorised as admissible to Listing

20 Any member wishing to transfer his/her shares or any of them (hereinafter referred to as the 'Transferring Member') must first offer them for sale to the other members, the Transferring Member shall inform the Board of Directors by a notice in writing (hereinafter referred to as 'the Transfer Notice') specifying the number of shares to be transferred, the name of the proposed transferee(s) and the Transferring Member's estimated valuation of each share

21 The receipt by the Board of Directors of a Transfer Notice shall, unless and until revoked in writing by the Transferring Member wishing to transfer his/her shares, constitute an authority to them to, by not later than seven (7) days from receipt of said Transfer Notice, offer for sale the shares specified therein, to existing members of the Company. The existing members may elect to waive in writing their pre-emption rights over the shares being transferred by the Transferring Member within seven (7) days from receipt of the offer sale of the shares given to them by the Board of Directors (hereinafter referred to as 'the Waiver Period'). In default of receiving the aforesaid waiver in writing from all existing members of the Company, the Board of Directors shall meet not later than seven (7) days following the expiration of the Waiver Period to discuss the matter and to appoint one or more qualified auditors, which shall not be the appointed auditors of the Company and which shall have the appropriate expertise in the business of the Company and its subsidiaries, if any, to place a fair valuation of the shares of the Company within thirty (30) days from appointment

22 When a fair value of the shares has been determined in the manner prescribed in Article 4, the Directors shall promptly by notice in writing inform the Transferring Member and shall cause a notice to be sent to every other member of the Company stating the number and the fair value of the shares for sale and inviting them to state, in writing within seven (7) days, what number of shares, if any, they are willing to purchase

23 On the expiration of the said seven (7) days, the Board of Directors shall allocate the said shares to members willing to purchase. If the requests for shares exceed the number for sale, the Directors shall apportion the shares in accordance with the purchasing members' existing shareholdings

24 The member wishing to transfer his shares shall complete and execute the transfers of the said shares in accordance with the allocation by the Directors and shall surrender to the Company his share certificate

25 If the Board of Directors shall be unable for whatsoever reason, within three (3) months of receipt of the Transfer Notice referred to in Article 3, to find the purchaser for all or any of the shares amongst the holders of the existing shareholding, the Transferring Member shall be entitled to sell to the person named in the Transfer Notice at the price stipulated in the Transfer Notice

26 No restriction on the transfer or transmission of shares shall apply where such transfers or transmissions take place whether 'inter vivos' or 'causa mortis' to an ascendant, linear descendant, wife or husband, widow or widower of the Transferring or deceased Member or to any person who holds or held more than seventy five percent (75%) of the direct beneficial ownership and voting rights and effective control in such Member (where such Member is or was a partnership, company or any other legal person) or to the ascendant, linear descendant, wife or husband, widow or widower of such person holding more than seventy five percent (75%) of the direct beneficial ownership and voting rights and effective control in such Member, or to any partnership, company or legal person in which more than seventy five per cent (75%) of the ultimate beneficial ownership and voting rights and effective control is or was held by the said Member

Further, and notwithstanding anything to the contrary in these Articles, no restriction on the transfer of shares shall apply when such transfer is effected to a partnership, company or any other legal person in which any two members hold jointly more than seventy five percent (75%) of the direct beneficial ownership and voting rights and effective control

For the purpose of this Article 9, the term 'deceased Member', wherever used herein, shall include a Member which is a partnership, a company or a legal person which has ceased to exist for any reason whatsoever and 'transmission *causa mortis*' or its derivative, wherever used in this Article 9, shall be construed accordingly

Any person becoming so entitled to a share or shares in the company following such a transfer 'inter vivos' or 'causa mortis' may elect either to be registered himself as holder of the share or shares or to have some person nominated by him so registered and the Directors shall, in either case, have no right to decline or suspend such registration

CERTIFICATES

27 For Listed Debt Securities of the Company, the holder thereof shall be entitled to receive from the Central Securities Depository of the Exchange a document evidencing his registration as a holder of Debt Securities of the Company in the number of Debt Securities held, or such other evidence as the Bye-Laws of the Exchange may from time to time determine

REGISTER OF MEMBERS

28 Unless otherwise provided for in any law, rule or regulation, the register of Members for Listed Shares or any other register for listed Shares and/or Debt Securities shall be kept at the Exchange and/or at the Office of the Company

29 Any register referred to in Article 9 shall be available for inspection in accordance with the Act

PROCEEDINGS AT GENERAL MEETINGS

30 (1) All business transacted and determinations made by the Company in General Meeting (whether Annual or Extraordinary) shall be so transacted and made by Ordinary Resolution unless otherwise provided in these Articles or required by law

(2) No business shall be transacted at a General Meeting of the Company unless a quorum of Members is present at the time the meeting proceeds to business

(3) Decisions on the following matters shall be reserved to the General Meeting (to the exclusion of the Board of Directors) and shall require an Extraordinary Resolution

(a) the increase and the reduction in the authorised and issued share capital of the Company,

(b) the issue, conversion or redemption of shares, debentures, convertible notes, options or other equity or debt securities of the Company or rights to subscribe for or acquire or to convert or redeem any equity or debt securities of the Company or any other rights or interests in any such securities (whether issued or unissued) and any call for any moneys unpaid on shares;

Provided that, in the case of a fresh issue of shares, such shares are to be offered or issued to the existing Members of the Company who shall be entitled to take them up between them in proportion as nearly as may be to the number of shares held by them in terms of law;

(c) the merger, division or conversion of the Company,

(d) the price of the transfer or the disposal under any other title whatsoever of the business of the Company or a substantial part thereof,

(e) the resolution to dissolve and wind up the Company and to appoint a liquidator,

(f) any amendments, alterations, revocations and additions to the Memorandum of Association and these Articles,

- (g) the change of any ordinary shares from one class into another or the variation of the rights attached to any class of ordinary shares,
- (h) the capitalisation of amounts standing to the credit of the Company's reserve accounts or of the profit and loss account or otherwise available for distribution,
- (i) the appointment of directors

(4) An Extraordinary Resolution means a resolution which

- (a) has been taken at a general meeting of the Company of which notice specifying the intention to propose the text of the resolution as an extraordinary resolution and the principal purpose thereof has been duly given; and
- (b) has been passed by a number of members having the right to attend and vote at any such meeting holding in the aggregate not less than seventy five percent (75%) in nominal value of the shares conferring that right

31 No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business, a Member or Members present in person or by proxy and entitled to vote and holding in the aggregate not less than seventy five per cent (75%) of the issued paid-up share capital of the Company shall be a quorum

32 Subject to any rights or restrictions for the time being attached to any class or classes of shares, every Member shall have one (1) vote for each share of which he is the holder, poll votes may be given either personally or by proxy.

33 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall, as far as possible, be deposited at the Office of the Company or at such other place as is specified for the purpose in the notice convening the meeting, not less than twenty-four (24) hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the a poll, in order to allow time for the verification of the authenticity of the instrument by the Chairman and in default, saving verifiable proof of the authenticity of the instrument satisfactory to the Chairman, the Chairman shall be entitled, in his sole discretion, to refuse the proxy

34 A proxy need not be a member of the Company

35 A form of instrument of proxy shall be in the following form or in such similar form as circumstances permit

"I/we _____ of _____ being a Member/Members of the above-named company, hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the annual/ extraordinary general meeting of the company, to be held on the _____ day of _____ 20__ and at any adjournment thereof

*This form is used in favour of/ against the resolution**

Unless otherwise instructed, the proxy will vote as he sees fit

**Delete whichever is inapplicable "*

36 The instrument appointing the proxy shall be deemed to confer authority to demand or join in demanding a poll, provided that the appointed proxy attends the meeting or any adjournment thereof

37 Where a Member specifies in the proxy how his proxy is to vote, the proxy from itself shall constitute the vote, provided that the appointed proxy attends the meeting or adjournment thereof

38 A resolution in writing signed by all the Member(s) for the time being entitled to receive notice of and to attend and vote at General Meetings shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, and may consist of two or more documents (including a telefax) in like form each signed by one or more of the Members (or their duly authorised representatives)

39 The Members of the Company shall be notified by letter in writing at least fourteen (14) days in advance of any general meeting as convened or as postponed Such letter shall also contain the agenda of the meeting

THE BOARD OF DIRECTORS

40 All Directors of the Company shall be individuals.

41 The Directors of the Company shall be appointed and/or removed from office as provided in Clause 7 of the Memorandum of Association of the Company

42 A Director may be appointed to the Board by means of an extraordinary resolution of the shareholders passed at a general meeting of the Company An election of Directors shall take place every year at the Company's annual general meeting All Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election

The Company shall give at least fourteen (14) days' notice in writing to the shareholders to submit names for the election of Directors Notice of the Company proposing a person for election as a Director, as well as the latter's acceptance to be nominated as Director, shall be given to the Company not less than fourteen (14) days prior to the date of the meeting appointed for such election

43. A Director may be removed before the expiration of his period of office by a resolution taken at a general meeting of the Company and passed by a member or members having the right to attend and vote, holding in the aggregate shares entitling the holder/s thereof to more than fifty per cent (50%) of the voting rights attached to shares represented and entitled to vote at the meeting

44. Any Director may at any time, generally or for a specified time, appoint any person to be his alternate Director, the person so appointed need not be a Member of the Company and shall have the right to attend and vote for the director in his absence at any board meeting or meetings. The person so appointed shall have a vote as a Director for each Director by whom he is so appointed. Any such appointment must be in writing and must be deposited at the registered office of the Company. A Director, who is also an alternate Director, shall be entitled in addition to his own vote, to a separate vote on behalf of the Director he is representing. An alternate Director shall *ipso facto* vacate office if his appointer ceases for any reason to be a Director, and an appointment or removal under this Article shall be effected in writing to the Company under the hand of the Director making the same.

45. Unless a specific term of office is stipulated on their appointment the Directors of the Company shall serve without retirement until death or until they retire or are removed by the Company in accordance with Article 140 of the Companies Act.

46. The borrowing powers of the Company shall be unlimited and shall be exercised by the Board of Directors of the Company.

47. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company, including those specified in Section 136 of the Act, as are not by the Act or by these Articles required to be exercised by the Company in general meeting subject nevertheless to any regulations of these Articles, to the provisions of the Act, and to such regulations, being not inconsistent with the aforesaid regulations 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 would have been valid if that regulation had not been made.

48. Any vacancy among the Directors may be filled by the co-optation of another person to fill the vacancy, such co-optation is to be made by the Board of Directors. Any vacancy among the Directors filled as aforesaid shall be valid until the conclusion of the next annual general meeting, when an election to appoint a Director to the vacated post shall be held and will be eligible for re-election.

49. The maximum aggregate emoluments of all Directors in any one (1) financial year, and any increases thereto, shall be such amount as may, from time to time, be determined by the Company in general meeting, and any notice convening the General Meeting during which the proposed aggregate emoluments or an increase in the maximum limit of such aggregate emoluments shall be proposed, shall contain a reference to such fact.

The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of Directors or other committee appointed, or General Meetings of the Company or in connection with the business of the Company.

50. The Directors shall exercise their powers subject to the regulations set out in these Articles, the Act and the rules and regulations of the Exchange or the Listing Authority as may be in force from time to time, if applicable, and subject to such regulations, not inconsistent with the aforementioned, as may be prescribed by the Company in general meeting; provided that 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.

51 The Directors shall be obliged to disclose their interest in a contract, arrangement or proposal with the Company in accordance with article 145 of the Act

52 A Director shall not vote at a meeting of Directors in respect of any contract, arrangement or proposal in which he has a material interest, whether direct or indirect

53 The Directors shall cause minutes to be kept in books provided for the purpose.

- (i) of all appointments made by the Directors,
- (ii) of the names of the Directors present at each meeting of the Directors and of any committee of Directors,
- (iii) of all resolutions and proceedings at all meetings of the Company and of the Directors and committees of Directors

54 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit Any Director or the Chairman may, at any time, summon a meeting of the Directors Meetings of the Directors shall usually take place in Malta or, with the consent of the Directors, elsewhere

55 Any matter arising at a meeting of the Directors shall be decided by a simple majority of votes In case of an equality of votes, the Chairman shall not have an additional or casting vote

56 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held Several distinct copies of the same document resolution signed by each of the Directors shall, when placed together, constitute one writing for the purpose of this Article

57 A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors

58 The quorum necessary for the transaction of business of the Directors shall be such number of Directors as constitutes for the time being a majority of the Directors appointed on the board, present in person or by proxy In the event that one or more Directors have a conflict of interest and cannot properly act on a certain matter, then the quorum necessary for a decision on that matter shall be such number of Directors present at that meeting that do not have a conflict of interest

59 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 later date and at such other time and place as the Directors present shall determine and if, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the Directors present shall constitute a quorum

60 Each Director shall have one (1) vote

61 Notice of every meeting of the board of Directors shall be given to all Directors of the Company and, save as hereinafter provided, shall in no case be of less than seven (7) days. Notice of meetings of Directors to any Director for the time being absent from Malta shall be given at his address in Malta (or last known address) and at his address abroad (provided that such Director has duly informed the Company of such latter address). The requirement of such notice may be waived

- (i) by a decision of all Directors entitled to receive notice of and vote at a meeting of the Directors,
- (ii) where a meeting is called by the Chairman as a matter of urgency, provided that the Chairman shall have noted the urgency of the meeting in the notice and the general nature of the urgent business to be discussed

62 A Director may give his consent to waiver of notice by way of fax, electronic mail or any other means of readable communication

63 If at any time the Chairman is not present within thirty (30) minutes of the time appointed for the meeting, the Directors may choose one of their number to chair the meeting

64 The Board of Directors shall, from time to time, appoint one of its number to represent the Company on the boards and at any meeting (general or extraordinary) of other companies in which the Company is a corporate member and such representative shall act in accordance with the instructions given to him by the Board from time to time

65 Any Director may, by an instrument in writing sent to the Company, appoint

- (i) any other Director; or
- (ii) any other person, in his/her stead as an alternate director to attend and vote in his/her place at any meeting of the Directors at which he/she is not personally present

A written instrument for such purposes shall also include a facsimile transmission. Every such appointment shall be effective and the following provisions shall apply in connection therewith

- (i) every alternate director, while he/she holds office as such, shall be entitled to attend and to exercise all the powers, rights and privileges of his/her appointor at all such meetings at which his/her appointor is not personally present, including the right to vote at such meetings,
- (ii) every such alternate director shall ipso facto vacate office if and when the Director appointing him/her ceases for any reason to be a Director of the Company or removes the alternate director from office by notice in writing or by e-mail sent to him and to the Company,
- (iii) no alternate director shall be entitled as such to receive any remuneration from the Company. A Director acting as an alternate director for another Director shall be entitled to vote for such other Director as well as on his own account and for the purpose of determining the quorum shall be counted in both his said capacities

66 The Directors shall be deemed to meet together if, being in separate locations, they are nonetheless linked by conference telephone or other communication equipment which allows those participating to hear and speak to each other, and any Director or member of a committee participating in a meeting in this manner is deemed to be present in person at such meeting and will be counted when reckoning a quorum

AUDIT COMMITTEE

67. The Company shall appoint an Audit Committee composed entirely of non-Executive Directors and having at least three (3) members, one of whom shall be appointed to chair the Audit Committee. The majority of such members, including the chairman of the Audit Committee, shall be independent of the Company. At least one member of the Audit Committee shall be competent in accounting and/or auditing.

68. The Audit committee shall be tasked, in the manner of the terms and reference accorded it by the Board of Directors, to monitor certain activities of the Company in the manner and to the extent required by the Listing Rules. The Audit Committee shall have the exclusive power of vetting all related party transactions in advance, and its decisions on such vetting shall be final and conclusive. Furthermore, the terms of reference of the Audit Committee shall be reviewed by the Corporate Advisor and the Company shall submit such terms of reference to the Exchange for review.

69. Where for any reason the appointment of a member of the Audit Committee is being terminated, the Company and/or the outgoing member shall

- (i) Immediately give notice to the Exchange of such intended termination together with reasons therefor;
- (ii) Fulfil without delay their responsibilities under the Listing Rules towards the Exchange and the marketplace pending the appointment of a new Audit Committee member, while keeping the Exchange aware of developments leading to a new Audit Committee member being appointed, and
- (iii) Ensure that the Board of Directors engages the services of another Audit Committee member within three (3) months of such termination.

70. Any new Audit Committee member shall contact an outgoing Audit Committee member in order to obtain a view about the reasons for termination and where appointed, take appropriate measures to discharge Audit Committee responsibilities in a timely manner, including that of considering whether to keep the Exchange duly and promptly informed on matters relating to the Company's Audit Committee mandate as appropriate, where any such information is conducive to securing the best interests of the market and investor protection.

SECRETARY

71. The appointment or replacement of the Company Secretary and the remuneration and conditions of holding office shall be determined by the Directors.

72. The Company Secretary shall be responsible for keeping

- (i) the minute book of General Meetings of the Company,
- (ii) the minute book of meetings of the Board of Directors,
- (iii) the Register of Members,
- (iv) the register of debentures, and
- (v) such other registers and records as the Company Secretary may be required to keep by the Board of Directors.

73 The Company Secretary shall

- (i) ensure that proper notices are given of all meetings, and
- (ii) ensure that all returns and other documents of the Company are prepared and delivered in accordance with the requirements of the Companies Act.

DIVIDENDS AND RESERVES

74 The Company may, in a General Meeting, declare dividends, but no dividend shall exceed the amount recommended by the Directors

75 The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company

76 No dividend shall be paid otherwise than out of the profits of the Company available for distribution

77 Without prejudice to the relevant provisions of the Companies Act, the Directors may, before recommending any dividend, set aside out of the profits of the Company available for distribution such sum/s as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit. The Directors may also, without placing the same to reserve, carry forward any profits which they think prudent not to distribute

78 Subject to *any* rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but no amount paid or credited as paid on the Shares in advance of calls shall be treated for the purpose of this regulation as paid on the Shares. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date, such Share shall rank for dividend accordingly

79 The Directors may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the Shares of the Company

80 Any dividend or other monies payable in respect of a Share may be paid by cheque with a warrant sent through the post and directed to the registered address of the holder or, in the case of a share held jointly by more than one person, to the registered address of the person named in the register of Members

Provided that where the address of a Member is not known, the dividend is to be kept by the Company for collection by the Member entitled to such dividend or for remittance when the address of the said Member is made known to the Company

Provided further that, in the case of a Share held by joint holders, anyone of such holders may give an effective and valid receipt for all dividends and payments on account of dividends and payments in respect of

such Share. Every such cheque and warrant shall be sent at the risk of the person entitled to the money represented thereby

81. No dividend shall bear interest against the Company

82 Any amount paid up in advance of calls on any Share may carry interest but will not entitle the holder of the Share to participate in respect of such amount in any dividend

PLEDGING OF SECURITIES

83 Any ordinary share in the Company may be pledged by its holder or holders in favour of any person as security for any obligation. Provided, that this shall be without prejudice to the rights of the shareholders of the Company under Articles 3 to 8A of these Articles of Association

ACCOUNTS

84 The Directors shall, from time to time, determine whether and to what extent, time and place, and under what conditions or regulations, the accounts and books of the Company or any of them shall be open to inspection of Members not being Directors. No Member (not being a Director) shall have any right of inspecting any account, book or document except as conferred by law or authorised by the Directors or by the Company in general meeting

85 The Directors shall cause a printed copy of the profit and loss account and balance sheet, together with any Directors' report attached thereto, in any such form as the Exchange may from time to time determine, to be delivered or sent by post to every Member of the Company and other persons entitled to receive notices of general meetings, at least fourteen (14) days prior to the annual general meeting

CAPITALISATION OF PROFITS

86 The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any Shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution

Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares

Provided further that the Directors may in giving effect to such resolution make such provision by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions

NOTICES

87 A notice may be given by the Company to any Member either personally or by sending it by post or e-mail to him or to his registered address in Malta, or if he has no such registered address in Malta, to the address, if any, supplied by him to the Company to receive notice thereof

88 Notice of every general meeting shall be given in the manner hereinbefore authorised to,

- (i) every registered Member of the Company,
- (ii) to each Director of the Company, and
- (iii) the auditor/s for the time being of the Company

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

90 Where a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying and mailing a letter containing the notice, and to have been effected at the expiration of twenty-four (24) 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

91 A notice may be given to the joint holders of a Share by giving the notice to the holder of such Share named in the register of Members

92 Any notice required to be given by the Company to all or any of the Members, and not expressly provided for by these Articles, shall be sufficiently given if given by advertisement

93. Any notice required to be or which may be given by advertisement shall be advertised once only in two (2) daily newspapers, one in Maltese language and one in the English language

94 If the postal service in Malta shall be curtailed or suspended so that the Company is unable to give effective notice by post of a general meeting, notice of a general meeting may be given by advertisement as provided in the preceding paragraph and shall be deemed to have been given on the day of publication therein mentioned. In such event the Company shall as soon as practicable (and, if able to do so, prior to the date of the general meeting) send notice by post to all Members entitled to receive such notice

WINDING UP

95 All holders of Shares shall rank *pari passu* upon distribution of assets in a winding up, provided that holders of preference shares of the Company, if any, shall at all times rank prior to the holders of Ordinary Shares upon any distribution of assets in winding up. As between the holders of different issues of preference shares, they shall rank in accordance with the relative terms of issue of those preference shares.

96 Unless the Members in general meeting approve otherwise, upon the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator. Any amount which the Directors propose to pay to a liquidator shall be notified to all Members at least seven (7) days prior to the meeting at which it is to be considered

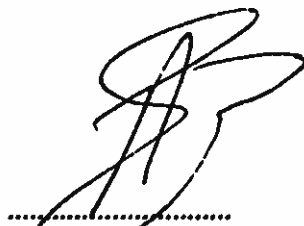
INDEMNITY

97 Every managing director, Director holding any other executive office or other Director, and every agent, or company secretary and in general any officer or auditor for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings in which judgement is given in his favour or in which he is acquitted

GENERAL

98 All the above Articles are subject to the overriding provisions of the Act and the Malta Stock Exchange Act and Bye-Laws, as applicable, except in so far as any provisions contained in any one of these laws permits otherwise, and the generality of any of the above provisions shall, in its interpretation, be restricted as is necessary to be read in conformity with any and all of the provisions of any of these laws

99 In the event that the Company's securities are admitted to listing on the Exchange, no deletion, amendment or addition to any of these Articles shall have effect unless prior written approval has been sought and obtained from the Listing Authority for such deletion, amendment or addition



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Ryan Edward Otto
Director
For & On behalf of Shoreline Holdings Limited
Company Registration No. C86187



.....
Jean Carl Farrugia
Director
For & On behalf of Shoreline Holdings Limited
Company Registration No. C 86187



.....
Kevin Deguara
Director
For & On behalf of Shoreline Residence Limited
Company Registration No. C 77212