

COMPANIES ACT, 1995

LIMITED LIABILITY COMPANY

MEMORANDUM OF ASSOCIATION

OF

ABC LIMITED

(Hereinafter "the Company")

1. **NAME**

The name of the Company is ABC Limited.

2. **PRIVATE COMPANY**

The Company is being formed and registered as a private exempt limited liability company.

Comment [Mb1]: To remove if not applicable

3. **REGISTERED OFFICE**

The registered office of the Company shall be situated at Office 2, Suite 2, The Penthouse, Capital Business Centre, Entrance C, Triq taz-Zwejt, San Gwann SGN 3000, Malta or at such other address as may be determined by the Board of Directors of the Company.

4. **OBJECTS**

The objects of the Company are:

- (a) To purchase, acquire, own, hold, manage, lease, administer, sell or otherwise dispose of property of any kind, whether immovable or movable, personal or real, and whether or not belonging to the Company.
- (b) 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;
- (c) To acquire, hold, develop and exploit patents, licences, trademarks, royalties, copyrights, grants, options, concessions and intellectual property rights of whatever nature and by whatsoever name called and other exclusive and non-exclusive rights and to grant licences or rights in respect thereof;
- (d) To obtain loans, overdrafts, credits and other financial and monetary facilities without limit and otherwise borrow or raise money in such manner as the Company shall think fit, whether as sole borrower or jointly with other persons, and to provide by way of security for the repayment of the principal and interest thereon and the fulfilment of any

of the Company's obligations, a hypothec, pledge, privilege, lien and/or mortgage over the assets of the Company;

- (e) To grant loans and 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;
- (f) To grant on lease movable or immovable property for a definite period of time to third parties, whether for a determined purpose or otherwise;
- (g) To acquire and undertake the whole or any part of the business and assets of any person, firm or partnership carrying on all or any of the business which the company is authorised to carry on;
- (h) To carry out such activities as may be ancillary to the above or as may be necessary or desirable to achieve the above objects.

Nothing in the foregoing shall be construed as enabling or empowering the Company to carry on any activity, business or service that requires a licence or other authorisation under or in terms of the Banking Act, Chapter 371 of the Laws of Malta, the Financial Institutions Act, Chapter 376 of the Laws of Malta, the Investment Services Act, Chapter 370 of the Laws of Malta, the Insurance Business Act, Chapter 403 of the Laws of Malta, the Insurance Intermediaries Act, Chapter 487 of the Laws of Malta nor the Special Funds (Regulation) Act, Chapter 450 of the Laws of Malta or the Trusts and Trustees Act, Chapter 331 of the Laws of Malta and the Company Services Providers Act, Chapter 529 of the Laws of Malta.

The exercise by the company of the foregoing objects and powers is subject to such prohibitions and restrictions as are provided by and under the mandatory provisions of any law in force for the time being including the Companies Act, Chapter 386 of the Laws of Malta, the Investment Services Act, Chapter 370 of the Laws of Malta, the Insurance Business Act, Chapter 403 of the Laws of Malta, the Insurance Intermediaries Act, Chapter 487 of the Laws of Malta nor the Special Funds (Regulation) Act, Chapter 450 of the Laws of Malta or the Trusts and Trustees Act, Chapter 331 of the Laws of Malta and the Company Services Providers Act, Chapter 529 of the Laws of Malta and of any regulations or rules issued thereunder and any amendment, modification or substitution of any such laws, regulations or rules.

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

5. **POWERS OF THE COMPANY**

In attaining its objects, the Company shall have the following powers:

- (a) To purchase, and acquire and to sell and transfer, take on or grant on lease, exchange, any asset and to carry out such amelioration, upgrading or reconstruction work on such assets as may be necessary for the development of the Company;
- (b) To sell, manage, improve, process, manufacture, exchange, insure, let on lease or otherwise, mortgage, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company for such consideration as the Company may think fit;
- (c) To appoint agents of the Company in any part of the world;

- (d) To enter into any arrangements with any governments or authorities, municipal, local or otherwise, in any part of the world, and to obtain from any such government or authority or person all rights, grants, concessions and privileges that may seem conducive to the Company's objects, or any of them;
- (e) To enter into partnership, joint venture or into any arrangement for sharing profits, union of interests, reciprocal concession, or co-operation with any person or Company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in, and to take or otherwise acquire and hold shares or stock in or securities of any such Company, and to subsidise or otherwise assist any such person or Company;
- (f) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or Company, or to acquire an interest in, amalgamate with or enter into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received;
- (g) To amalgamate with any other company whose objects are similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid, with or without winding-up, or by sale or purchase (for fully or partly paid shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of the partnership or in any other manner;
- (h) To lend and advance money or give credit to such persons and on such terms as may seem expedient to the Company, only where necessary and in relation to the business of the Company;
- (i) To draw, make, accept, endorse, negotiate, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments;
- (j) To receive, from any of the assets mentioned in Clause 4, dividends, capital gains, royalties and similar income, rents, interest, any other income or gains derived from investments (including income or gains on the disposal of such investments), and profits or gains attributable to a permanent establishment (including a branch);
- (k) To employ any number of workers for the purposes for which the Company is established and to remunerate any person, firm or company rendering services to the Company, whether by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise;
- (l) To establish and maintain share option schemes in relation to the shares of the Company under such terms and conditions as the Company may determine from time to time and to issue securities which are convertible into shares or which carry the right to subscribe for shares;

Comment [Mb2]: FRFTC Clause – to be retained where Company will receive any income that stands to be allocated to FIA unless otherwise required by client.

- (m) To pay all or any expenses incurred in connection with the formation, promotion and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares, debentures, debenture stock or securities of this Company;
- (n) To grant pensions, allowances, gratuities and bonuses to Directors, ex-Directors, officers, ex-officers, employees or ex-employees of the Company or the dependants or relatives of such persons;
- (o) To promote any other company for the purpose of acquiring all or any of the property or undertaking any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to subscribe for or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;
- (p) To sell or dispose of the undertaking, property and assets of the Company or any part thereof in such manner and for such consideration as the Company may think fit;
- (q) To do all or any of the things referred to in this Clause in any part of the world, and either as principals, agents, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, or otherwise;
- (r) Where the laws of an approved country or jurisdiction so allow, and upon obtaining the consent of the Registrar of Companies in Malta, to apply to the proper authority of such country or jurisdiction to have the Company registered as continued as if it had been incorporated or registered under the laws of that other country or jurisdiction.

The objects and powers set forth in this Memorandum of Association shall not be restrictively construed but the widest interpretation shall be given thereto. None of the said objects and powers shall be deemed subsidiary or ancillary to any other object or power mentioned therein. The Company shall have full power to exercise all or any of the powers and to achieve and to endeavour to achieve all or any of the objects conferred by and provided in this Memorandum of Association.

6. 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.

7. CAPITAL

a. Authorised

The authorised share capital of the Company shall be of € 1200 (*in words*) divided into (*in words*) Ordinary shares of € 1 (*in words*) each.

Comment [Mb3]: To be used where shares are all Ordinary Shares (one class)

OR

The authorised share capital of the Company shall be of € 1200 (*in words*) divided into (*in words*) Ordinary Class A Shares having a nominal value of € (*in words*) each and one (1) Ordinary Class "B" Share having a nominal value of €1 (one Euro) each.

Comment [Mb4]: To be used where there are 2 Classes of Shares (A and B)

b. Issued

The issued share capital shall be of € 1200 (_____ in words) divided into _____ (_____ in words) Ordinary shares of € _____ (_____ in words) each. Each issued share shall be fully paid up by the undernoted:

Comment [Mb5]: To be used where shares are all Ordinary Shares (one class)

OR

The issued share capital of the Company shall be of € 1200 (_____ in words) divided into _____ (_____ in words) Ordinary Class A Shares having a nominal value of € _____ (_____ in words) each and one (1) Ordinary Class “B” Share having a nominal value of €1 (one Euro) each. Each issued share being fully paid up by the undernoted:

Comment [Mb6]: To be used where there are 2 Classes of Shares (A and B)

NAME AND ADDRESS OF SUBSCRIBER	NUMBER OF ORDINARY SHARES BY EACH SUBSCRIBER	
	Ordinary ‘A’ Shares	Ordinary ‘B’ Shares
[Name and Details of Shareholder including ID Card/ Passport in case of individual and Company Registration Number in case of Corporate Shareholder]		
[Name and Details of Shareholder including ID Card/ Passport in case of individual and Company Registration Number in case of Corporate Shareholder]		
TOTAL		

8. CLASS RIGHTS

All Ordinary shares in the Company shall rank *pari passu* for all purposes.

Comment [Mb7]: To be used where all shares are all Ordinary (1 Class of Shares)

OR

All Ordinary shares in the Company, irrespective of the letter by which they are denominated shall rank equally in all respects subject to the following exceptions:

- i. The holder/s of the Class ‘A’ Ordinary Shares shall be entitled to one (1) vote in general meetings for each of such shares held, whilst the holder/s of the Class ‘B’ Ordinary Shares shall not be entitled to any vote in respect of those shares;

ii. The holder/s of the Class 'B' Ordinary Shares shall not be entitled to any surplus assets of the Company on a winding up but shall have a prior claim over the holder/s of the Class 'A' Ordinary Shares for the return of the nominal value of the said Class 'B' Ordinary Shares;

iii. The holder/s of the Class 'B' Ordinary Shares shall not be entitled to any dividend.

Comment [Mb8]: To be used where there are 2 or more classes of shares (Class A and B)

9. **DIRECTORS**

The Company's affairs shall be entrusted to a Board of Directors which shall consist of not less than one (1) and not more than four (4) Directors.

The first Directors of the Company shall be:

[Name and Residence of Director including ID Card/ Passport in case of individual and Company Registration No. in case of Corporate director]

10. **LEGAL AND JUDICIAL REPRESENTATION**

The legal and judicial representation of the Company shall be vested in any one (1) director.

Comment [Mb9]: Legal and Judicial representation may also be jointly or in any 2 directors – depending on the client's request and needs.

Without prejudice to the above and in addition to the aforesaid, the Board of Directors may from time to time appoint any one or more director/s and/or any person or persons to represent the Company for a specific purpose or in a specific case or cases or classes of cases.

Any Power of Attorney issued by the Company shall be executed by any director or any person authorised by the Board of Directors for this purpose and such power of attorney shall be considered as executed by the Company.

11. **SECRETARY**

The first Secretary of the Company shall be:

[Name and Residence of Company Secretary including ID Card/ Passport]

Shareholder
[Passport No _____]

Shareholder
[Passport No _____]

COMPANIES ACT, 1995

LIMITED LIABILITY COMPANY

ARTICLES OF ASSOCIATION

OF

[NAME OF COMPANY]

=====

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. The Company is established as a private exempt limited liability company and accordingly:-
 - (a) the right to transfer shares is restricted in the manner hereinafter prescribed;
 - (b) the number of shareholders 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 purposes of this regulation be treated as a single member;
 - (c) any invitation to the public to subscribe for any shares or debentures in the Company is prohibited; and
 - (d) the Company shall not have the power to issue share warrants to bearer;
 - (e) the number of persons holding debentures of the company is not more than fifty;
 - (f) no body corporate is a director of the company, and neither the company nor any of the directors is party to an arrangement whereby the policy of the company is capable of being determined by persons other than the directors, members or debenture holders thereof;
3. The regulations contained in Part II of the First Schedule relating to the management of a private company shall apply to the Company save in so far as they are excluded or varied hereby.

Comment [Mb10]: If applicable
To delete point (e) and (f) if company is private company (not exempt)
In case of Single Member Company this is to be retained.

PLEDGING OF SHARES

4. Any member of the Company may pledge his shares or any of them in favour of any person as security for any obligation.

TRANSFER AND TRANSMISSION OF SHARES

5. If any member (hereinafter referred to as the "transferring member") wishes to transfer his shares or any of them he shall inform the 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 and his estimated valuation of each share. The transferring member shall not be entitled to revoke a transfer notice without the consent in writing of the directors.
6. The receipt by the directors of a transfer notice shall constitute an authority to them to offer for sale the shares specified therein at a fair valuation to be ascertained as follows:-
 - (a) At the transferring member's estimated valuation, if considered by the directors to be a fair one.
 - (b) At a value placed on them by the auditors where the transferring member's valuation is not considered by the directors to be a fair one.
 - (c) At a value placed on them by any other person whom the directors, with the consent in writing of the transferring member, shall appoint where for any reason the auditors shall not make the said valuation.
7. When a fair value of the shares has been determined in the manner prescribed in Clause 5, the directors shall 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 fourteen days, what number of shares, if any, they are willing to purchase.
8. On the expiration of the said fourteen 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.
9. The transferring member shall complete and execute transfers of the said shares in accordance with the allocation by the directors and shall surrender to the Company his share certificate.
10. If the Board of Directors shall be unable, within one month of receipt of the notice referred to in Article 5, to find a 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 specified therein.

11. No restriction on the transfer of shares shall apply where such transfers take place whether inter-vivos or causa mortis to an ascendant, lineal descendant of the grandfather of the transferring member or to the wife, husband, widow or widower or in favour of a company or companies beneficially owned or controlled by that member.
12. Notwithstanding the regulations set out above, if a member wishes to transfer his shares or any of them to a person whose nominee he was at the time when the shares were issued or allotted and whose nominee he has been at all times since, then the restrictions on transfers mentioned above shall not apply.

PROCEEDINGS AT GENERAL MEETINGS

13. The quorum at any shareholders' meeting shall be one (1) or more members in person or by proxy holding, in aggregate, not less than 51% of the issued paid up shares, having the right to vote, in the Company.

Any alterations in the Memorandum and Articles of Association of the Company, the issue or conversion of shares and the dissolution of the Company shall require the consent of members holding not less than 75% of the issued paid up share capital, having the right to vote, of the Company.

14. Without prejudice to Article 210 of the Companies Act, 1995, all general meetings shall be held in Malta.

DIRECTORS

15. The first director of the Company shall serve without retirement until death or until he shall retire or be removed in accordance with Article 140 of the Companies Act, 1995.
16. A director may appoint any other person to act as his alternate.

BORROWING POWERS

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

POWERS AND DUTIES OF DIRECTORS

18. The directors' power to bind the Company and to undertake obligations and liabilities on behalf of the Company shall not be limited.

PROCEEDINGS OF DIRECTORS

19. The quorum at a directors' meeting shall be one as long as the directors shall be one in number. If there shall be more than one director then the quorum shall be two thirds of the total number of directors. In calculating the quorum the total number of directors shall be considered whether present at the time in Malta or not.
20. Without prejudice to Clause 66 of Part I of the First Schedule to the Companies Act, 1995, all meetings of directors shall be held in Malta.

NOTICE

21. Notice of shareholders' meetings shall be delivered by registered post to all shareholders whether their registered address is in Malta or not.

ISSUE OF SHARES

22. The issue of unissued share capital of the Company for the time being shall be at the discretion of the shareholders in general meeting, provided however that these shares shall first be offered to the then existing shareholders who shall be entitled to subscribe therefor on a pro-rata basis. In the event of any shareholder not taking up his entitlement the remaining shares shall be offered to the other shareholders who shall be entitled to acquire them pro-rata to their respective holdings and only where no existing shareholders wish to acquire these shares, shall they be offered to third parties.

INDEMNITY

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

Ivanov

Shareholder

