



SHAREHOLDERS AGREEMENT

On this day _____ this Agreement had been made by and between _____ whose place of business is _____, represented by _____, (hereinafter referred to as _____) and

The International Maritime Fumigation Organization Ltd (hereinafter referred to as IMFO) registered by its existing shareholders who are represented by the members of the Board of Directors as undersigned here below, whereas both parties desire to enter into a share holders agreement to serve their mutual interest and to specify the rights and obligations of each party in such arrangement.

IMFO has been established as a non-profit make organization with the key objective of enabling member companies to provide levels of treatment to the international shipping market that they cannot provide as individual companies.

IMFO will enable a treatment to be carried out before leaving the port of export with completion on arrival at the discharge port to standards which are common throughout the Group. This will enable group member companies to compete with multinational companies.

The parties hereby agree as follows:

ARTICLE I

The above recitals shall be considered an integral part of this contract.

ARTICLE II

The parties agree to form a limited company under the name of IMFO - The International Maritime Fumigation Organization Limited.

ARTICLE III

The parties agree to being equal shareholders of IMFO by each purchasing 25 shares of 1 English pound per share. All full members and any additional full members will become shareholders and will always hold the same number of shares as each other shareholder.

Directors of IMFO Limited shall be appointed by shareholders on the basis of a maximum of 8, who shall be appointed for a maximum term of three years. After three years the Directors may be re-appointed for a further term of up to 3 years if a majority of the shareholders are in favour. Re-appointments may continue on this basis provided a majority of shareholders agree. If an election is necessary this will be decided by a simple majority of full members (shareholders).



The Directors will act as directed by the shareholders. The Directors shall appoint a Chairman who will be appointed for a maximum term of 3 years but who may be re-appointed for a further additional 3 year maximum term if the Directors so decide, and this re- appointment may be repeated every 3 years if the Directors so decide. Any proposed alterations or additions to the Shareholders Agreement shall be made in writing and circulated to all shareholders at least 30 days prior to any decision being taken. Any decision is subject to Article XII.

ARTICLE IV

The objective of IMFO is to market and promote certain ethics and technology of sanitary and phytosanitary services, and to establish a network of reliable companies with common technical procedures regarding safety and efficacy, around the world. The objective is to enable shareholders to compete with multinational companies and to provide all their customers with options to have guaranteed treatments and other options of service which cannot be provided by the shareholder companies operating as individual entities.

ARTICLE V

The services included in the Shareholders Agreement are limited to any sanitary of phytosanitary treatments to be carried out on ships or containers or cargoes being transported by ships or any other means of transport in the frame of an international transport.

ARTICLE VI

Each shareholder currently operates in certain geographical areas as set out in Appendix One.

It is recognized that from time to time any of the shareholders will operate in these and other countries. Also additional shareholders may be accepted in these geographical areas subject to the agreement of the shareholders as set out in Article XII.

Full new members (shareholders) should meet the following criteria:

Must be involved in marine and in-transit fumigation and be able to demonstrate they have been involved with satisfactory results over a significant period of time.

If they do not meet the above requirements then if there is either no other company in that country who is suitable or who wants to join, the new company can only become a (full) member on the basis that it agrees to employ one or more IMFO member on all ship fumigation work to act as an advisor until at least one IMFO member is satisfied that they are competent to carry out work to the standards of IMFO without supervision.

Acceptance of New Members – Probation

The process of acceptance consists of two stages.

The applicant will be admitted as a member on Probation without the rights of being a shareholder. This period can last for a maximum of one year when the Board of Directors will decide if this applicant is suitable for being a full member and shareholder or not, according to the requirements described in this documentation.

It will be a decision of the Board of Directors whether the probationary member is accepted or whether membership is declined. The joining fee will be payable as one-third on being accepted as a probationary member



which is not refundable. The remaining two-thirds of the joining fee is due for payment on being accepted as a full member.

ARTICLE VII

Each shareholder is responsible for making his own contractual arrangements with customers on the basis of minimum technical specifications that will be agreed between the shareholders from time to time. Shareholders accept that they may compete with each other from time to time.

ARTICLE VIII

Where IMFO have one or more shareholder, or IMFO nominated representatives in any country, any other IMFO shareholder requiring work to be carried out in that country shall use the IMFO shareholder or representative. If none are present the shareholder will arrange for the work to be carried out as best he can while adhering to Article IX and X. If unreasonable terms are demanded by one shareholder or representative of another, this should be referred to the Chairman for a decision by the Directors.

ARTICLE IX

Each shareholder is committed to work to at least the United National International Maritime Organisation recommendations as far as safety is concerned, and to the IMFO code of Ethics, attached as Appendix Two, and to ensure that any subcontractor they may use does likewise. Common IMFO documentation will be established, which will be used as part of the documentation issued by all shareholders.

ARTICLE X

Every operation carried out by a shareholder or representative will be covered by that shareholder or representatives insurance. The shareholders will agree minimum insurance cover to be maintained which will be reviewed and agreed from time to time, shareholders will be responsible for the insurance of representatives or non member sub contractors they use.

If members choose to invoice a customer through IMFO this will not imply or place any insurance liability or any other liability whatsoever on IMFO.

ARTICLE XI

Any decision with regard to the normal management of IMFO such as subscription fees, commissions, budgets etc requires the approval of a majority of the shareholders.

ARTICLE XII

Any decision with regard to either (a) accept a new full member and shareholder, (b) expel a shareholder or (c) change, or add additional clauses to the shareholders agreement requires the approval of at least 75% of the shareholders.



ARTICLE XIII

Each shareholder may terminate the Agreement and leave IMFO by giving a six months written notice and without paying any goodwill. He will not be entitled to claim for any fees, commission or other payment that have been made in advance to IMFO, but he agrees to pay all fee or payments due to IMFO up to the date of his leaving.

If any member leaves the Group either voluntarily (minimum 6 month written notice) or by being expelled (Article II) he will:

- a. Not become involved in any similar network or group involved or associated with maritime fumigation for a minimum of 12 month from the date of termination.
- b. Not use or convey to others any confidential information regarding any of the procedures or process or any information relating to IMFO.
- c. Sell his shareholding at the nominal price to either existing or proposed shareholders or to the company (IMFO), as decided by the other shareholders under the term of Article III.
- d. If no instrument of share transfer is received by IMFO within one month of leaving the Group the Directors of the company are authorized to sign a stock transfer form on behalf of the former member to facilitate point c. of Article XIII above.

ARTICLE XIV

The shareholder will execute this Agreement in accordance with acknowledge business practices and in good faith. In the event of any dispute it is accepted by all members that this will be resolved on the basis of UK Law.

ARTICLE XV

This shareholders agreement has been executed in two originals, with the new member and IMFO, each receiving one original.

Company Name:
Signed for and on behalf of the new member:
Name of signatory in full:
Date:

Witnessed by:
Name of Witness in full:
At: Date:



Signed for and on behalf of IMFO by the Chairman and one other Director who at this date are:

Denis BUREAU (Adalia Group Inc.)– Chairman of Directors:

Date:

Jose ROCA (Roca Defisan S.L.) :

Date:

Nicolas CHANCEREL (Serec France S.A.R.L.) :

Date:

Jim SHARPE (Degesch America) :

Date:

Christopher WATSON:

Date:

Martin VILLA (Fugran CISA)

Date:

Darius Cepulis (UAB Pelias) :

Date:

Mike Goss (Genera Limited) :

Date:



Appendix One

Geographical Areas of Shareholders

Shareholder's Name	Area of Activity
FUGRAN	Argentina
PROFUM	Argentina
FINTRAN	Australia
GENERA FUMIGATION SERVICES	Australia
CD BRASIL	Brasil
ADALIA GROUP INC	Canada
DEGESCH DE CHILE	Chile
GREENCO LTD	Cyprus
SAWCO	Egypt
FUMITEAM LTD	Estonia
SEREC	France
APENTOMOSES ELLADOS LTD (APEL)	Greece
PEST CONTROL (M. WALSHE)	India
CDL	Italy
ANTICIMEX S.R.L.	Italy
UAB PELIAS	Lithuania
SPIKE INTERNATIONAL BV	Netherlands
GENERA	New Zealand
AGROPEST - ALFA S.C.	Poland
EURO UFER	Romania
DDD d.o.o.	Slovenia
PEST MASTER	South Africa
ROCA DEFISAN	Spain
ALPHA FUMIGATION SERVICES LTD	UK
PRO - TEC LTD	Ukraine
BARCAN PEST CONTROL	Turkey
DEGESCH	United States of America
VFC	Vietnam



Appendix Two

Code of Ethics

The membership shall observe the following Code of Ethics:

1.0 Relation of Members to Public

The members, in their advertisements or other solicitation of business, shall not use tricky, fraudulent, or misleading wording or methods.

1.1 Relation of Member to Clients

The members shall thoroughly analyze the requirements of their clients, and shall conscientiously recommend the means best suited for the client's needs.

1.2 Professional Services

The members upon accepting a contract or service agreement shall render skilled, intelligent and conscientious service.

1.3 Relation of Members to Competitors

The members shall not publicly criticize the business or private affairs of other members. Complaints or disputes between members that cannot be resolved by the relevant parties may be brought to the attention of the Directors of IMFO.

1.4 Relation of Members to IMFO

The members shall be loyal to the principles of the IMFO.

1.5 Grievance and Disciplinary Actions

1.5.1 The conduct of the members of IMFO shall be expected at all times to be in accordance with the provision of the Code of Ethics and the policies adopted by IMFO.

1.5.2 A complaint against a member of the IMFO shall be referred to any Director, who will report to the Board. The Board of Directors will resolve this situation.



1.5.3 It shall be the earnest endeavour of the Board to remove the cause of complaint without taking recourse to punitive action against a member whose delinquency has been established. Expulsion from the membership shall be taken as a last resort where persuasion fails. In such an event with reference to the articles of the Shareholders Agreement the Board shall have the authority to suspend the member concerned. The order for expulsion shall be passed at a General Body Meeting only by an affirmative vote of at least three quarters of the members present and voting at such meeting, providing that the matter shall have been circulated to the members by the Board at least 30 days prior to the date of the meeting.

1.6 Standards

The following standards must be adhered to by all members and appear in all documentation issued by IMFO members when in transit cargo fumigation is carried out.

1.6.1 Must get the signed agreement of the vessel (Master or Chief Officer) before fumigation is applied.

1.6.2 Must carry out a pre fumigation inspection or test.

1.6.3 Must issue a pre fumigation statement giving details of safety equipment to be used and responsibilities of the master and crew during the voyage.

1.6.4 Ensure leakage checks are carried out after application of fumigation and that this fact is recorded on documentation transferring responsibility of fumigation to the vessel.

1.6.5 Ensure instructions regarding aeration prior to discharge are clearly set out and that the vessel has the necessary information to give to the port authorities on arrival.

1.6.6 All the above points to be recorded on documentation that is signed by both master and fumigator