

THE COMPANIES ORDINANCE  
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION  
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AFRICA ISRAEL INDUSTRIES LTD

אפריקה ישראל תעשיות בע"מ

1. The name of the Company in Hebrew is:

אפריקה ישראל תעשיות בע"מ

and in English is: AFRICA ISRAEL INDUSTRIES LTD

2. The objects for which the Company is established are:-

- (a) To own, hold, buy, sell, exchange, take on hire, manufacture, erect, install, repair, maintain, convert, alter, lease, borrow, let and otherwise deal in plant, machinery, implements, hardware and tools of all kinds and to do any other thing which may seem to the company capable of being conveniently carried on in connection with the above, or otherwise calculated, directly or indirectly, to enhance the value of any of the Company's property and rights for the time being.
- (b) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, rights, privileges, concessions, licenses, machinery, plant, stock-in-trade and any property, movable or immovable, in possession or in action, of any kind necessary or convenient for the purpose of or in connection with the Company's business, or any branch or department thereof, or for any other purpose not related to the Company's business.
- (c) To apply for, purchase, or by other means acquire and protect, prolong, and renew, whether in Israel or elsewhere, any patents, patent rights, brevets d' invention, licenses, protections, and concessions which may appear likely to be advantageous or useful to the Company, and to use and turn to account and

to manufacture under or grant licenses or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions, or rights which the Company may acquire or propose to acquire.

- (d) To purchase or otherwise 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 authorized to carry on, or the carrying on of which is calculated to benefit this Company or to advance its interests, or possessed of property suitable for the purposes of this Company; and 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 and things aforesaid or property acquired, any shares (fully or partly paid up), debenture, debenture stock or securities that may be agreed upon, and to hold and to retain, or sell, mortgage, and deal with any shares, debentures, debenture stock, or securities so received.
- (e) To improve, manage, cultivate, develop, exchange, let or rent, royalty, share of profits or otherwise, mortgage, sell, dispose of, turn to account, grant licenses and other 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.
- (f) To borrow or raise or secure the payment of money for the purpose of or in connection with the Company's business in any manner whatsoever, including by way of pledge and mortgage or both movable and immovable property of the Company.
- (g) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such

securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons.

- (h) To pay for any property or rights acquired by the Company, and to remunerate any person, firm or Company rendering services to this Company either in cash or fully or partly paid up shares, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (i) To establish or promote or concur in establishing or promoting any other Company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of or shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold shares, stock or securities or guarantee the payment of any securities or other obligations of any such Company, or of any Company having objects similar to those of this Company, or carrying on or proposing to carry on, any business in which this Company is interested or from which this Company is likely to derive any benefits.
- (j) To enter into any partnership or arrangement for sharing profits, union of interests or cooperation with any Company, firm, or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such Company, and to guarantee the contracts or liabilities of, subsidize, or otherwise assist any such Company.
- (k) To subscribe for, take, purchase, or otherwise acquire and hold shares or other interest in or securities of any other Company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (l) To enter into any arrangements with any Government or authorities (supreme, municipal, local or otherwise) or any corporations, Companies, or persons that

may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, corporation, Company or person any charters, contracts, decrees, rights, privileges, and concessions which the Company may think desirable, and to carry out, exercise, and comply with such charters, contracts, decrees, rights, privileges and concessions.

- (m) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.
- (n) To carry on business of manufacturers of all kinds of metal and as metal workers, iron masters, iron founders, iron workers, steel makers, tin smelters, blast furnace proprietors, brass founders, polishers, cutters, galvanizers, enamellers, annealers electron and chromium platers and polishers.
- (o) To invest and deal with the moneys of the Company not immediately required for the purpose of the business of the Company in or upon such securities and in such manner as may from time to time be determined.
- (p) To lend and advance moneys or give credit to and to guarantee the debts and contracts of such persons, firms, or Companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company and to give guarantees or become security for any such persons, firms, or Companies.
- (q) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by installments or otherwise, or in fully or partly paid up shares of any Company or Corporation, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or in debentures or debenture stock, mortgages or other securities of any Company or Corporation, or partly in one mode and partly in another,

and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.

- (r) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (s) To act as trustees for any person, firm or Company and to undertake and perform sub-contracts, and also to act in any of the business of the Company through or by means of agents, brokers, subcontractors, or others.
- (t) To sell or otherwise dispose of the whole or any part of the undertaking of the Company, either together or in portions, for such consideration as the Company thinks fit, and in particular for shares, debentures, or securities of any Company purchasing the same.
- (u) 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.
- (v) To grant pensions, allowances, gratuities and bonuses to employees or ex-employees of the Company or the dependents of such persons, and to establish and support or to aid in the establishment and support of any schools and any educational, scientific, literary, religious, or charitable institutions or trade societies, whether such institutions or societies be solely connected with the business carried on by the Company or not and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or of the persons employed by the Company.
- (w) To apply for, promote and obtain any Ordinance, Law, Order, or License of any authority for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution, or for any

other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

- (x) To do all or any of the above things in any part of the world, and either as principals on its own account or as factor or brokers or as agents, trustees, contractors or otherwise, and either by or through agents, subcontractors, trustees or otherwise.
- (y) To procure the Company to be registered or recognized in any Foreign Country or Place.
- (z) To do all such other things as are or may be deemed incidental or conducive to the attainment of the above objects or any of them, and to do all such other things as may be permitted under the Companies Ordinance.

And it is hereby declared that the word "Company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body or persons, whether incorporated or not incorporated, and whether domiciled in Israel or elsewhere, and that the objects specified in paragraphs (a) to (m) (inclusive) of this clause are the main objects of the Company and all other shall have the power to adopt all or any objects of any Company amalgamated with.

3. The liability of the members is limited.
4. The share capital of the Company is ILS. 10,000,000.- (ten millions) divided into:  
10,000,000 ordinary shares of ILS 1 (one) each.

The Company shall be at liberty to issue the whole or any part of the original or increased capital with any such rights of preference whether in respect of voting, dividend or repayment of capital, and generally on such terms as may from time to time be determined by ordinary resolution of the general meeting, and the rights for the time being attached to any shares or class of shares in the

capital of the Company may be modified, amplified, varied or otherwise deal with.

E, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

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NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
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JOSEPH PECKER,  
17 Hasharon st. Tel-Aviv

\_\_\_\_\_  
Joseph Pecker

Witness to the above signatures

\_\_\_\_\_  
Y.Meerovitch,  
14, Rothchild Blvd, Tel-Aviv.

DANIEL A.FRIEDMAN,  
1212 Union Commerce Building  
Cleveland 14, Ohio

\_\_\_\_\_  
Daniel Friedman

STATE OF OHIO            )  
CUYAMOGA COUNTY ) SS:

Witness to the above signatures

Before me a Notary Public in  
and for said County and State,  
personally appeared the above –  
named Daniel A.Friedman who  
acknowledged that he did sign the above  
instrument as his free act and deal.

\_\_\_\_\_  
Stanley I. Adelstein  
1090 Union Commerce Building  
Cleveland 14, Ohio