

Memorandum of Understanding

This Memorandum of Understanding (“MOU”) is entered into on the twenty-ninth (29th) day March of the year two thousand and nineteen (2019) by and between:

On the first part:

James Piscopo, Chief Executive Officer, son of Mario Piscopo and Giovanna sive Jane nee’ Gambin, born in Pieta’ on the eleventh (11th) May of the year one thousand nine hundred and seventy-eight (1978) and residing in Iklin, holder of identity card number 225578(M), who is appearing hereon in the name and in representation of the Lands Authority as duly authorised by virtue of a board resolution of the Board of Governors of the Lands Authority, bearing the number four (4) of the year two thousand and eighteenth (2018), dated the thirteenth (13th) July of the year two thousand and eighteen (2018) - hereinafter referred to as the ‘**Lands Authority**’ and/or ‘**the Government of Malta**’ and/or ‘**the Government**’, as the case may be.

On the second part:

Diana known as Diane Buttigieg, Director, daughter of George Borg and Maria Dolores nee’ Debono, born on 19th November 1968 in Sliema and residing in Mosta, holder of identity card number 483568M, and Alan Agius, Director, son of Austin Agius and Monica nee’ Galea Naudi, born on 13th January 1971 in Sliema and residing in Sliema, holder of identity card number 069471M, who are appearing herein, for and on behalf of **GP BORG BUSBESJA LIMITED**, a private limited liability Company with company registration letter C number eight five eight zero one (C 85801) and registered office at “Conscarm”, Triq Ta’ L-Ibragg, Ta’ L-Ibragg, Swieqi Malta, as duly authorised to appear hereon by virtue of the Memorandum of Association of the said company.

And collectively referred to as “**the Parties**”;

Whereas the Parties are interested in co-operating to carry out the conservation and management of the site consisting of land surrounded by a wall, containing temporary derelict structures on it which formerly served as military huts, inclusive of its relative airspace and sub-soil, together with all its rights and appurtenances, which land is denominated as “*il-Busbesija*”, in limits of Mosta, having a total area of approximately six thousand eight hundred and ninety-eight metres squared (6,898 m²) and which site is bordered in red on the plan indicated as Property Drawing number one hundred and twenty five underscore eighty two underscore four (P.D. 125_82_4) and is shown on the Survey Sheet inserted in the same plan, which plan is being herewith attached and marked as document “X”.

Now therefore, in consideration of mutual promises and covenants contained herein, the Parties agree as follows:

1. The Lands Authority shall propose a motion for a special resolution to be issued by the House of Representatives in terms of Article 31 (c) of the Government Lands Act (Chapter 573) of the Laws of Malta for the grant by title of temporary emphyteusis for a period of forty-five (45) years of the land known as "il-Busbesija" described above;
2. The Parties agree that the temporary emphyteutical grant shall be made under such terms and conditions indicated in the draft public deed herewith attached and marked as Annex "B" which draft public deed will also be attached to the motion mentioned in clause 1 of this Memorandum of Understanding;
3. The Second Party is hereby authorised to apply, at its own cost and risk and without any right to indemnification against the Lands Authority, with the Planning Authority (PA) for the necessary Full Development/Building Permit for the conservation and full development, of the site in line with and limited to the terms and conditions set forth in the aforementioned attached draft public deed, which application shall be made in accordance with PA's policies. The Second Party shall notify the Lands Authority that the said application has been submitted. For the avoidance of doubt, the Lands Authority acknowledges that the Second Party shall not be bound by the plans submitted together with its original proposal submitted to the Lands Authority and that the Second Party may, within the terms permitted by this clause and the aforementioned attached draft public deed, effect changes to the plans which are to be submitted to PA together with the relevant application. The Lands Authority is, moreover and concurrently with the signing of this Memorandum, permitting the Second Party to gain access to the site for the restrictive purposes of cleaning out the said site.
4. The Parties agree that the final deed shall be subject to the approval by cabinet and to the approval of a special parliamentary resolution by the House of Representatives in terms of Article 31 (c) of (Chapter 573) of the Laws of Malta authorising the transfer of the site under such terms and conditions as the House of Representatives deems fit.
5. The Parties acknowledge and accept that this Memorandum will be carried out within the framework of and subject to the applicable laws and regulations.

This Memorandum of Understanding shall be valid for a period of twelve (12) months to be reckoned from the date upon which the House of Representatives shall have definitively decided upon the motion referred to under clause one (1) above, and shall cease to have effect upon the expiry of the said period.

In witness hereof, the Parties caused this Memorandum to be duly executed by them at Malta, Valletta, Saint Sebastian Street, Auberge De Baviere, at the office of the Lands Authority, without number, on this twenty-ninth (29th) day March of the year two thousand and nineteen (2019).

Iffirmati: James Piscopo nomine
Diana sive Diane Buttigieg nomine
Alan Agius nomine

Notary Dr Roderick Gatt
Notary Public with the Lands Authority
(Witness to signatures and identity)



Joint Venture Agreement

Agreement being entered into today 19th day of September 2014

Whereas

01. The Government of Malta issued a Request for Participation in the Conservation and Management of Land at Il-Busbesija L/O Mosta, whereas
02. The following named parties have agreed to form a Joint Venture to eventually submit the request for Participation (RFP).
03. The following Partners are hereby forming the Joint Venture
 - a) The First Partner is Mr. George Borg ID 717544(m) for and on behalf of G&P Borg Ltd, a Limited Liability Company registered under the Laws of Malta under Registration Number C16029, with registered office at "Conscarm" Ibragg Road, Ibragg SWQ2039
 - b) The Second Partner, being Alan Agius ID Number69471M residing at 18, Triq Ghar il-Lembi, Sliema.

Article 1- Name of Joint Venture

The name of the Joint Venture shall be
"Busbesija Group of Investors"

Article 2- Address

For the purpose of this RFP, the office of this Joint Venture will be "Conscarm", Ibragg Road, Ibragg SWQ 2039, telephone numbers (+356) 21382028, 21382034.

Article 3- Contact Persons

The contact persons of each Partner will be the following:-

	Company	Contact Person	E-mail address	Mobile
a	G&P Borg Ltd (Lead Partner)	George Borg	conrad.borg@gpborg.com	99497622
b		Alan Agius	mesl@maltanet.net	99490068



Article 4- Lead Partner

The Lead Partner is G&P Borg Ltd

Article 5- Responsibilities

G&P Borg Ltd shall be responsible for the conservation and regeneration of the site. Each party forming part of this Joint Venture will be responsible for costs as well as revenues as follows:

	Company	% of Costs and Revenues
a	G&P Borg Ltd	85%
b	Alan Agius	15%

Article 6- Professional Services

The Parties to this agreement agree to engage the services of industry renowned professionals with regard to this RFP.

Article 7- Financial Provision

a) **Bid Bond**

It is being agreed that the Lead Partner will provide the Bid Bond to the value stipulated in the Tender Document. In return, the other Partner to the Joint Venture will provide a back-to-back Guarantee, in favour of the Lead Partner.

b) **Company Formation**

In the event that the Joint Venture's offer is favourably considered, the partners shall form a company, according to the MFSA regulations with shareholding divided as per Article 5.

Article 8- Taxation

Each party to the Joint Venture shall bear its own Liability of any taxation or duty chargeable in Malta in respect of its participation in the Venture.

Article 9- Preparation of RFP

Each party shall bear the costs of or in connection with the RFP as per article 5

Article 10

Should this RFP be awarded to others, this Joint Venture Agreement shall cease to exist ipso jure.



Article 15

Unless all parties agree, should the RFP be assigned to the Joint Venture, no one of the parties forming this Joint Venture may opt out of the Joint Venture Agreement.

Article 16

The Partners reciprocally bind themselves to abide by all the requirements and Conditions set out in the RFP.

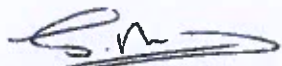
Article 17


For all intents and purposes all parties agree to enter into further specific arrangements and agreements with each other with regards to the modus operandi relating to the works to be carried out under this RFP.


Article 18- Law & Jurisdiction

- a) This Agreement shall be governed by and construed in accordance with Maltese Law.
- b) In case of any dispute or difference shall arise between the Parties as to this Agreement or any matters or issues of whatsoever nature, the dispute or differences shall be referred to Arbitration and final decision of a person to be agreed between the parties to act as Arbitrator or, failing agreement within 7 days after either Party has given to the other a written request to concur in the appointment of an Arbitrator, or person to be appointed at the request of either Party by the Malta Arbitration Centre. The award of the Arbitrator shall be final and binding upon the Parties. The provisions of the Arbitration Act 1996 shall apply to any Arbitration under this Agreement.

Signed:


George Borg (ID717544m)
o.b.o. G&P Borg Ltd


Alan Agius (ID 69471m)


Anton Pisani (447974M, Witness to Signatures)



Joint Venture Agreement

19th day of September 2014

Whereas

01. The following Partners form the Joint Venture known as "Busbesija Group of Investors"

- a) The First Partner is Mr. George Borg ID 717544(m) for and on behalf of G&P Borg Ltd, a Limited Liability Company registered under the Laws of Malta under Registration Number C16029, with registered office at "Conscarm" Ibragg Road, Ibragg SWQ2039
- b) The Second Partner, being Alan Aglus ID Number 69471M residing at 18, Triq Ghar il-Lembi, Silema.

With effect from today, the lead partner shall be:

G&P Borg Ltd.

Signed:

George Borg (ID717544m)
o.b.o. G&P Borg Ltd

Alan Aglus (ID 69471m)

Anton Pisani (447974M, Witness to Signatures)

DRAFT DEED

Before me, Doctor of Laws _____, a Notary Public with the Lands Authority duly admitted and sworn, have personally appeared and identified themselves according to law, by means of the hereunder mentioned official documents:

Of the first part:

James Piscopo, Chief Executive Officer, son of Mario Piscopo and Giovanna sive Jane nee' Gambin, born in Pieta' on the eleventh (11th) May of the year one thousand nine hundred and seventy-eight (1978) and residing in Iklin, holder of identity card number 225578(M), who is appearing hereon in the name and in representation of the Lands Authority as duly authorised by virtue of a board resolution of the Board of Governors of the Lands Authority, bearing the number four (4) of the year two thousand and eighteenth (2018), dated the thirteenth (13th) July of the year two thousand and eighteen (2018) - hereinafter referred to as the '**Lands Authority**' and/or '**the Government of Malta**' and/or '**the Government**', as the case may be.

Of the second part:

_____ who are appearing on this deed for and on behalf of GP BORG BUSBESIJA LIMITED, a private limited liability Company with company registration letter C number eight five eight zero one (C 85801) and registered office address at "Conscarm", Triq Ta' L-Ibragg, Ta' L-Ibragg, Swieqi Malta, as duly authorised to appear hereon by Board Resolution, herewith attached and marked as Annex "A" -hereinafter collectively referred to as the "**Emphyteuta**"

The Parties

The Lands Authority and the Emphyteuta are in this deed collectively referred to as the "**Parties**" and each one a "**Party**".

WHEREAS:

Following the invitation by the Government of Malta of a Request for proposals for the Conservation and Management of Land at il-Busbesija, limits of Mosta, published on the twenty ninth (29th) of July of the year two thousand and fourteen (2014) (the "RFP"), the Emphyteuta submitted its detailed proposal in terms of said RFP;

Following a shortlisting exercise the Emphyteuta was successfully identified as the Preferred Proponent in terms of the RFP and was invited further to enter into negotiations with the Government of Malta;

The Parties have agreed the terms that are to regulate their relationship;

The Parties hereby agree and covenant:

Clause 1 - Definitions

1.1 In this deed, unless otherwise expressly stated or the contrary intention appears and in addition to any other definitions contained elsewhere in this deed, the following terms shall have the following meanings respectively assigned to them:

"Architect" means a person who holds a warrant to practice in Malta as an architect and civil engineer.

"Certificate of Completion" means the certificate issued by an Architect in accordance with subclause six of clause eleven (11.6) of this deed and confirming that the Property is in a Complete State.

"Complete State" means that the Property is developed and built in accordance with the applicable Full Development Building Permit/Building Permits in relation to the same and completed in all respects in full compliance with all laws and regulations in respect of buildings in general, including sanitary and environmental matters, with materials of good quality, and to a good standard of workmanship, in terms of local building custom.

"Development of the Property" means the performance, execution or supply of anything which shall be required to be performed, done or supplied by the Emphyteuta in order to complete the obligations

assumed by it on this deed in respect of the completion of the Property and for all the requirements mentioned in the definition of Complete State to be satisfied in full and includes, but is not limited to, the performance, execution or supply of all labour, materials, constructional plant and equipment, temporary works, remedial works, and architectural and technical services and supervision to construct, develop and complete the Property in all respects in compliance with all laws and regulations in respect of buildings in general including sanitary and environmental matters, possible requirements by the competent authorities, the Building Permits, and the execution of all works necessary to satisfy the Emphyteuta's obligations arising from this deed, as well as the filing of applications for and the procurement of necessary amendments to the Building Permits and the issuance of any compliance or completion certificates in respect of the Property in terms of the Environment and Planning Act, Chapter five hundred and four (504) of the Laws of Malta, and of all other necessary certifications, permits, authorisations and licences required during the Development of the Property, and on its completion and the procurement, installation and commissioning of all utilities required for the Property.

"Emphyteuta" means the private limited liability company GP BORG BUSBESIJA LIMITED bearing company registration letter C number eight five eight zero one (C85801) and/or its successors in title.

"Emphyteutical Grant" means the temporary emphyteutical grant of the Property made by the Lands Authority to the Emphyteuta by virtue of this deed.

"Force Majeure" means any act, event or circumstance which is beyond the reasonable control of a party, including but not limited to acts of God, war, civil commotion, fire, flood or other calamity, strike, riot, lock-out or other industrial disturbance, terrestrial or extra-terrestrial interference, blockade, insurrection, action, order, direction judgement, including but not limited any other cause of a similar nature, which makes that party's performance of its obligations under this contract impossible, or so impractical as to be considered impossible under the circumstances.

"Full Development Permit/Building Permits" means the permit for the full Development of the Property and approved plans issued by PA for the Development of the Property and the construction of the

Property, including all approved amendments and modifications made thereto to date and any future amendments or modifications (including additional plans) if approved by PA.

"Government/Government of Malta" means the Government of Malta and/or its successors in title and/or the Directum Dominus and/or its successors in title as represented by the Lands Authority

"Ground-rent" means the annual temporary ground-rent stated in clause seven (7) of this deed and, when revised upwards in accordance with same clause, the annual temporary ground-rent as so revised.

"Immovable Things" means all buildings, structures, developments, infrastructure, facilities, installations, equipment, plant and machinery and other improvements, now existing, or which in the future shall exist, within the boundaries of the Property, whether installed, constructed or erected on, in or under the Property or which otherwise appertain to the Property but to the extent only that they are considered immovable things in terms of the Civil Code, Chapter sixteen (16) of the Laws of Malta and whether such buildings, structures, developments, infrastructure, facilities, installations, equipment, plant and machinery and other improvements are mentioned or otherwise in the description of the Property in these Definitions.

"PA" means the Planning Authority.

"Permitted Uses," means the uses of the Property as specified in clause six (6) of this deed.

"Property" means the site in Malta indicated hereunder, namely the site consisting of land, surrounded by a wall, containing temporary derelict structures on it which formerly served as military huts, inclusive of its relative airspace and sub-soil together with all its rights and appurtenances which land is denominated as "*il-Busbesija*", in limits of Mosta, having a total area of approximately six thousand eight hundred and ninety-eight metres squared (6,898 m²), the whole bounded _____, or more correct boundaries and which site is bordered in red on the plan indicated as Property Drawing number one hundred and twenty five underscore eighty two underscore four (P.D. 125_82_4) and is shown on the Survey Sheet

inserted in the same plan, which plan is being herewith attached to the deed and marked as document "F".

"Term" means the term of the Emphyteutical Grant as set out in clause five (5) of this deed.

"Undesirable Person" means a person who:

(a) has been convicted of a crime, wherever committed:

- i. against the safety of the Government in terms of articles fifty five (55) to fifty nine (59), both articles included, of the Criminal Code, Chapter nine (9) of the Laws of Malta (in this deed referred to as the "**Criminal Code**"), or
- ii. against public safety in terms of articles three hundred and eleven (311) to three hundred and seventeen (317), both articles included, of the Criminal Code, or
- iii. specified in the Schedule to the Extradition Act, Chapter two hundred and seventy six (276) of the Laws of Malta, and for a term of imprisonment of more than three (3) years;
- iv. against the Prevention of Money Laundering Act, Chapter three hundred and seventy three (373) of the Laws of Malta;

- v. in violation of the articles three hundred and seven (307) to three hundred and fifteen (315) (both articles included) of the Companies Act, Chapter three hundred and eighty six (386) of the Laws of Malta (in this deed referred to as the "Companies Act") and in violation of article one hundred and ninety one (191) of the Criminal Code;
- vi. against Sub-Titles IVA and B of Title IX of Part II of Book First of the Criminal Code;
- vii. against the laws or by the courts of another country with respect to the crimes substantially equivalent to those specified in paragraphs i.(roman number one), iv.(roman number four) and v.(roman number five) above.

(b) is the subject of sanctions or restrictions issued by the United Nations, the European Union or other international governmental body of which Malta is part and which are adopted or applied by the Government in terms of the National Interest (Enabling Powers) Act, Chapter three hundred and sixty five (365) of the Laws of Malta and / or other applicable law, and this for such time as such sanctions remain in force.

(c) is the subject of an international arrest warrant or of a European Arrest Warrant or is otherwise wanted by INTERPOL or other equivalent trans-national police organisation, and this for such time as he so remains.

(d) is insolvent or bankrupt and unable to pay his debts as they fall due.

(e) being a legal entity, the director or other officer or the controlling shareholder of which is:

- i. an Undesirable Person, or
- ii. in case of a director or officer, disqualified to be a director of a company in terms of the Companies Act or of a similar law of a jurisdiction of which the director or officer is a national or resident and this for as long as such person remains so disqualified

Clause 2 - Interpretation

2.1 In this deed, unless otherwise expressly stated or the contrary intention appears:

a) words importing the masculine gender shall include the feminine gender and vice-versa and words importing the neuter gender shall include the masculine and the feminine gender;

b) references to a Recital, Part, heading, section, clause, paragraph, document or schedule is to a Recital, Part, heading, section, clause, paragraph, document or schedule of or annexed to this deed;

c) references to a person include references to any person, whether natural or legal and whether registered or not and whether incorporated or unincorporated, and includes (without limitation) an undertaking and this irrespective of citizenship, place of registration, residence or management;

d) any reference to any law shall be deemed to include any amendment, replacement or re-enactment thereof for the time being in force and to include any subordinate legislation, legal notices, rules, regulations, orders, notices, directions, consents or permissions (together with any conditions attaching to any of the foregoing) made thereunder;

e) all obligations undertaken by the Parties will be binding on them during the entire Term;

f) where the context permits, the term "**Property**" shall include any part of the Property, together with all the Immovable Things which now, or in the future, shall appertain to it.

g) The headings in this deed are inserted for convenience only and do not affect its construction.

h) The documents annexed to this deed shall be construed to form a substantial and integral part of this deed and any reference to this deed shall include a reference to the said documents.

Clause 3 - Grant of Emphyteusis of the Property

3.1 By virtue of this deed, the Lands Authority hereby grants by title of temporary emphyteusis to the Emphyteuta, which on its part accepts and acquires by the same title of temporary emphyteusis, the Property, for the Term and for the consideration and upon the terms and conditions set out and contained in this deed.

3.2 The Property is being granted and accepted *tale quale*, and with the exclusion of the warranty of hidden/latent defects. The Property is otherwise being granted and accepted as free from any burdens, ground-rents (save as specified under clause 7 hereunder), servitudes, hypothecs and privileges, charges, cautions, third party rights whether real or personal and of whatever type or nature, any enforcement or other orders, and free from any rights in favour of the Government (save as dominus) or any other public authority, free from any litigation (pending or threatened) and with immediate vacant possession in favour of the Emphyteuta on this deed.

3.3 The Parties also declare and agree that the Property includes all the Immovable Things, which now or in the future shall appertain to the Property.

3.4 The Lands Authority warrants and declares that:

- i. the Property is surrounded in its entirety by a rubble wall shown by dotted lines on the attached plan marked as document 'F', which wall is built in its entirety within the boundaries of the Property and forms an integral part thereof; and
- ii. all adjacent roads leading to the Property are public roads and that the Emphyteuta will not consequently be hindered in gaining pedestrian and vehicular passage and access to the Property over and through the said adjacent roads, or otherwise in passing and installing, within the said adjacent roads, any and all cables, wires, pipes, drains, channels, ducts and conduits together with the relative

connections, fittings, accessories, installations and equipment and other media and infrastructure, as are necessary for the supply or discharge, to or from the Property, of services and utilities, including, without limitation, water, electricity, drainage, communication and reception and other systems, as may be replaced, modified and/or improved from time to time.

Clause 4 - Terms and Conditions of the Emphyteutical Grant

4.1 This Emphyteutical Grant is governed by the terms and conditions set out in this deed and, except to the extent lawfully excluded or modified hereby, also by the provisions of the Civil Code, Chapter sixteen (16) of the Laws of Malta.

4.2 The following documents shall be deemed to form and be read and construed as part of this deed, in the following order of precedence:

- i Clarification notes presented by the Emphyteuta to the _____ attached to this deed and marked Annex B;
- ii Original Proposal presented by the Emphyteuta in response to the RFP attached to this deed and marked Annex D;
- iii The RFP published by the Government of Malta on the the twenty ninth (29th) of July of the year two thousand and fourteen (2014), attached to this deed and marked Annex E.

It is intended that the reading and construction of the clauses of this deed and the above-referred documents shall be clear and consistent but in the event of any inconsistency, the clauses of this Deed shall in all circumstances prevail.

Clause 5 - Term

5.1 This temporary emphyteutical grant is being granted by the Lands Authority and accepted by the Emphyteuta for a period of forty five (45) years commencing from the date of publication of this deed.

Clause 6 - Permitted Uses

6.1 Without prejudice to the Emphyteuta's obligations and rights of the Lands Authority pursuant to this Deed, the Emphyteuta shall be entitled to enjoy and make full use of the Property solely for the development, restoration and embellishment of the Property and for a retreat house and/or tourism related accommodation, including:

- i the proper use, maintenance and conservation of the agricultural land shown on the plan hereto attached as document 'F', taking into consideration the environmental impact;
- ii the establishment of ancillary facilities.

6.2 The Emphyteuta shall bear any and all costs and expenses, whether ordinary or extraordinary, that may be necessary or desirable in connection with the permitted use as prescribed in subclause one of this clause six (6.1), and in accordance with the Emphyteuta's rights over the Property the Emphyteuta shall be entitled to retain all revenues generated from the operation of the Property.

6.3 The Emphyteuta undertakes to operate the Property for the duration of this emphyteutical grant.

6.4 No other use is permitted unless otherwise expressly approved and agreed in writing by the Lands Authority, which approval and agreement can be refused without the obligation to give reasons for such refusal.

Clause 7 - Ground-rent

7.1 Subject to sub-clause three of this clause seven (7.3), this Emphyteutical Grant is made in consideration of the annual temporary ground-rent of thirty-one thousand Euro (€31,000) which shall be revised upwards on the lapse of five (5) years reckoned from the date of issuance of the Certificate of Completion by the Architect in respect of the Property or, within two years from the issuance of the relative PA permits, whichever occurs first, according to the official rate of inflation which shall be taken to be the official rate of inflation published in respect of the year immediately preceding the

year when the ground rent is to be increased, and thereafter, on the lapse of every subsequent five-year period, by said rate of inflation on the *pro tempore* ground-rent payable annually in terms of this deed during the immediately preceding five-year period.

7.2 Subject to sub-clause one of this clause seven (7.1) the Ground-rent is payable to the Lands Authority in two equal payments every six months in advance with effect from today.

7.3 The Ground-rent due as established in sub-clause one of this clause seven (7.1) reckoned from the date of this deed is being administratively but irrevocably abated by the Lands Authority in favour of the Emphyteuta to a nominal amount of one thousand Euro (€1,000) *per annum*, which abatement shall however only remain applicable, save as otherwise stated in this deed, until the Certificate of Completion is issued by the Architect in respect of the Property or, within two years from the issuance of the relative PA permits, whichever occurs first, and upon either of the aforementioned occurrences the Ground-rent shall revert to its full amount as stipulated in sub-clause one of this clause (7.1).

7.4 The Ground-rent shall be paid by the Emphyteuta without demand, deduction or set-off unless otherwise agreed to in writing by the Lands Authority.

7.5 Without prejudice to clause twenty eight (28), in order to secure the payment of the Ground-rent and any penalty that may become due by the Emphyteuta on this deed and also to secure the proper performance of each and all of the obligations arising from this Emphyteutical Grant, the Lands Authority reserves in its favour the special privilege on the Property accorded to the Dominus by law.

Clause 8 – Letting and other Concessions

8.1 Except as provided hereunder and in subclause two of this clause eight (8.2), the Emphyteuta may not transfer, dispose of, alienate or otherwise assign the whole or any part of the Property, under any title whatsoever, including but not limited to (i) a transfer of the *utile dominium* of the Property or part thereof or (ii) granting it in whole or in part by way of sub-emphyteusis or assignment, lease, possession, operation agreement or management agreement, save to a company in which the entire shareholding is held by the existing members of

GP BORG BUSBESIJA LIMITED or by their direct linear descendants

8.2 Notwithstanding the provisions of the subclause immediately preceding this, the Emphyteuta may grant leases, operation agreements, management agreements or other similar rights over any part of the Property and this exclusively for the purposes of the Permitted Uses.

Provided that no such leases, operation agreements, management agreements or other similar rights may be granted to a single third party over the whole Property save to a company in which the entire shareholding is held by the existing members of GP BORG BUSBESIJA LIMITED (C 85801) or by their direct linear descendants.

Provided further that no real right under whatever title can be granted over the Property, in whole or in part, to any third party or entity, even if such third party or entity forms part of a group of companies or is any way affiliated to the Emphyteuta, unless otherwise specifically agreed to by the Lands Authority in writing.

Provided further that prior to entering into any such leases, operation agreements, management agreements or other similar rights, the Emphyteuta shall notify the Lands Authority of its intentions.

Provided further that any reference to lease in this clause does not refer to short-term tourism related accommodation.

8.3 Leases, operation agreements, management agreements or other similar rights may only be made subject to the following terms and conditions, namely, they shall:

- i not exceed the term of this emphyteutical grant;
- ii not be made subject to terms which constitute a breach of the terms and conditions agreed to herein;
- iii not be entered into with an Undesirable Person;
- iv not be entered into for any illicit purpose or contrary to public policy.

Clause 9 – Facilities and Standards

9.1 The Emphyteuta is bound for the entire duration of this deed to provide adequate facilities and standards for the operation of the Permitted Uses, in accordance with generally accepted standards and relevant legislation, for the efficient operation of the Property.

9.2 Such facilities and standards shall include but not be limited to:

- i undertake all reasonable endeavours to maintain high levels of customer satisfaction;
- ii preserve and maintain the Property facilities in a safe, serviced and efficient condition;
- iii carry out a continuing programme of maintenance and repair activities on the equipment, fixtures and fittings which will ensure that the Property facilities are at all times in good working order and in a serviced condition;
- iv ensure that all structures on the Property are professionally inspected on a regular basis for deterioration and, where necessary, carry out repairs or replacements;
- v affect all routine repairs including replacement and enhancement of equipment and systems on the Property necessary for the efficient and adequate operation of the Property and the Permitted Uses;
- vi adopt and periodically update a high standard of environmentally-friendly energy saving solutions and sustainable use of resources;
- vii without prejudice to the sub-clause eight of clause eleven (11.8) below, ensure throughout the entire term, full and unhindered accessibility to the Property at a minimum level established by law;
- viii establish adequate regulations covering sanitation, security, accessibility, sustainable energy and resource use and conservation, crowd control and fire protection at the Property;

- ix comply with all safety, sanitary and security standards in accordance with applicable laws;

- x maintain all facilities at an adequate standard including housekeeping and cleaning, decor and their availability to customers at the Property.

Clause 10 – Maintenance and Repairs

10.1 For the duration of the Emphyteutical Grant, the Emphyteuta shall keep the Property and anything related to the Property at all times in a good state of repair according to law and to the reasonable satisfaction of the Lands Authority, at its own risk, cost and expense and it shall carry out:

- i. all preventive and remedial maintenance as may be necessary in accordance with applicable law and internationally recognized industry standards; and

- ii. all ordinary and extraordinary repairs;

and on the termination of the Emphyteutical Grant by lapse of time or on the dissolution of the Emphyteutical Grant for any other reason, the Emphyteuta shall relinquish and/or return the Property and any permanent improvements thereon without any compensation and/or right of compensation, unless otherwise stated in the deed, in a good state of repair and operation, fair wear and tear excepted. Any damage occurring not only through ordinary causes but also through fortuitous, extraordinary and unforeseen circumstances or by Act of God, or by Force Majeure, shall be made good by the Emphyteuta which shall be bound to reconstruct if necessary any portion of the said Property, or the whole Property, at its own expense.

10.2 The Lands Authority may request once every five (5) years from the date of this deed that the Emphyteuta prepares a written condition report in respect of the maintenance of the Property and such condition report shall be delivered by the Emphyteuta to the Lands Authority within a reasonable date agreed between the Emphyteuta and the Lands Authority.

Clause 11 – Development, Restoration and Embellishment of the Property

11.1 The Property is being granted to the Emphyteuta to use it exclusively for the Permitted Uses provided for in this deed, including for the development, restoration and embellishment of the Property. Accordingly, the Emphyteuta shall by not later than four (4) months from the date of publication of this deed submit all necessary applications and documentation to the PA in order to obtain the necessary the permit/s for the full development, restoration and embellishment of the Property.

If for any reason whatsoever not attributable to the Emphyteuta or to the doing of the Emphyteuta, the Emphyteuta is not in possession of the said Full Development Permit/Building Permits within thirty-six (36) months from the date of this deed, the Lands Authority shall have the right to rescind this deed. In case of rescission, the Emphyteuta shall have no right to claim compensation from or against the Lands Authority for any expenses and/or damages incurred either directly or indirectly in relation to the Property.

Provided that when the said Full Development Permit/Building Permits is/are issued by the PA, the Emphyteuta shall give a copy of the said permit/s free of charge to the Lands Authority within fifteen (15) days from the date of its issue.

11.2 In the event that a Full Development Permit/Building Permits is/are issued by the Planning Authority (PA), the Emphyteuta shall commence works within three months of the issuance of such Full Development Permit/Building Permits.

11.3 The Emphyteuta shall, upon obtaining the Full Development Permit complete the development, restoration and embellishment of the Property as provided for in this deed and shall commence the operation of the permitted uses in accordance with this deed and within the parameters of and in accordance with the Full Development Permit/Building Permits and any other permit or authorisation required by law by not later than two years from the issuance of the said Full Development Permit/Building Permits.

11.4 The development, restoration and embellishment works shall be overseen by the Architect indicated by the Emphyteuta in his proposal, which Architect shall be engaged by and at the cost of the Emphyteuta.

Provided that any change of Architect shall be notified to the Lands Authority which shall in writing within ten (10) running days, approve or otherwise refuse the proposed substitution thereof. Any such refusal shall not be unreasonable and the Lands Authority will inform the Emphyteuta of the reasons for such refusal.

11.5 The Emphyteuta shall invest a minimum sum of one million and nine hundred thousand Euro (€1,900,000), inclusive of Value Added Tax, on the Property and shall complete the whole development, restoration and embellishment works to the full satisfaction of the Lands Authority within the time period stipulated in clause eleven point three (11.3), save for any extension/s of the time limits as stipulated in this deed as may become necessary, subject to any penalties which may be imposed in terms of this deed if so applicable.

11.6 When the Property is in a Complete State the Emphyteuta shall provide the Lands Authority with a Certificate of Completion issued by the Architect in charge of the development, restoration and embellishment of the Property.

11.7 The investment mentioned in subclause five of this clause eleven (11.5) shall be valued and certified by the Architect appointed in terms of subclause four of this clause eleven (11.4) and confirmed by the Lands Authority or its representative/s.

Provided that in case of disagreement between the Architect and the Lands Authority or its representative/s mentioned in this subclause an independent Architect appointed by mutual consent and agreement of the Parties shall value the investments referred to in this subclause, whose valuation shall be final and binding on the Parties. The cost of the independent Architect shall be borne in equal proportions between the Parties.

11.8 The Lands Authority is hereby irrevocably authorising the

Emphyteuta to make all necessary applications for and to do all that is necessary for:

- a. the embellishment of the adjacent public roads leading to the Property, including but not limited to the re-construction of the walls bordering such roads and the re-surfacing of such roads; as well as to
- b. to carry out the installation, within the adjacent roads and up to the applicable sources or infrastructures or services within the public road network, of any and all cables, wires, pipes, drains, channels, ducts and conduits together with the relative connections, fittings, accessories, installations and equipment and other media and infrastructure, as are necessary for the supply or discharge, to or from the Property, of services and utilities, including, without limitation, water, electricity, drainage, communication and reception and other systems.

The costs to be incurred by the Emphyteuta in executing the works contemplated in this sub-clause, shall form part of the investment mentioned in subclause five of this clause eleven (11.5) and shall be valued and certified in terms of subclause seven of this clause eleven (11.7).

The Lands Authority further undertakes to assist the Emphyteuta, at the Emphyteuta's own expense, by all lawful means possible as may be necessary for the provision of the necessary services and utilities which are required by the Emphyteuta to commence the operation of the Permitted Uses.

Clause 12 – Further Obligations of the Emphyteuta

12.1 The Emphyteuta further binds itself to:

- i fully operate the Property without interruption for the permitted uses throughout the duration of the entire term of this emphyteutical grant. Provided that any interruption of four (4) consecutive weeks or less shall not deem to be considered as an interruption and that any interruption of more than four (4) consecutive weeks are

to be authorised by the Lands Authority;

- ii to actively market, advertise and promote the Property;
- iii to provide and promote the highest sustainable number of employment opportunities which however at anyone time should not be less than twenty three (23) full-time and part-time employees in number, unless otherwise notified to the Lands Authority providing the highest degree of justification therefor. The number of full-time or part-time employees engaged in the service of any third party in whose favour the Emphyteuta may have granted a lease, operation agreement, management agreement or other similar rights over any part of the Property, in terms of sub-clause two of clause eight (8.2) of this deed, shall be included for the purposes of computing the number of employees within the Property in terms of this paragraph;

Clause 13 - Obligations and Charges Imposed by Law on Owners

13.1 The Emphyteuta shall be bound to comply with and to carry out any obligation or duty imposed by law on the owners of buildings or lands and this according to what is stated in Article one thousand five hundred and seven (1507) of the Civil Code (Chapter sixteen (16) of the Laws of Malta).

13.2 All burdens, taxes, rates, impositions or other charges whatsoever imposed by law on the owners of land shall during the continuance of the emphyteutical grant be paid by the Emphyteuta.

Provided that any imposition of new taxes, directed by Law as due from the Directum Dominus, shall not be due from the Emphyteuta.

Clause 14 – Compliance with Law and Other Obligations

14.1 The Emphyteuta shall, at its sole cost and expense, comply with all legislation, rules, regulations, and reasonable administrative orders applicable to Malta, whether made by the

Lands Authority or otherwise, now in force, or which may hereafter be in force, applicable to the Property and/or the operation of the Permitted Uses, and shall faithfully observe all conditions included in all licences, permits and authorisations issued to the Emphyteuta or for the Property in relation to the operation of the Permitted Uses, now in force or which may hereafter be in force. In particular but without prejudice to the generality of the foregoing, the Emphyteuta shall obtain and comply with all licenses and permits necessary for the use of the Property in accordance with the Permitted Use.

14.2 The Emphyteuta shall not permit oil, grease, trade wastes or other deleterious matter to enter the public drains and sewers in accordance to applicable law, from time to time.

14.3 The Emphyteuta shall not cause damage to any public services which may be passed through, under or above the Property and when damage is caused or the temporary removal is necessary it shall be bound to re-instate same as soon as possible, at its own and sole expense. For the purposes of this clause, the Lands Authority nonetheless undertakes in favour of the Emphyteuta, which accepts, to assist the Emphyteuta, at the Emphyteuta's own expense, by all lawful means possible as may be necessary for the removal and/or re-instatement of the said public services if the Emphyteuta itself, in spite of various attempts from its part, of which proof in writing shall be given to the Lands Authority, has failed to remove and/or re-instate the same. In such case the time limits imposed on the Emphyteuta in terms of this deed to complete the development of the Property and to commence the operation of the Project shall be extended by a time equivalent to the time that may be required for the removal and/or re-instatement of the public services. The Emphyteuta is also presently and with immediate affect renouncing to any compensation and/or right of compensation for any expenses of whatever nature and/or to any claim and/or any action of whatever nature which it has and/or might have against the Lands Authority in relation to obligation undertaken by the Lands Authority by virtue of this clause.

14.4 All bills and charges relating to the Property including deposits, fees and charges for water, electricity, drainage, telephone and any other service or utility used in or upon or

furnished to the Property incurred as from the date of this deed shall be paid by the Emphyteuta.

Clause 15 - Permits, Licences and Authorisations

15.1 The Lands Authority undertakes to use its good offices to ensure the expeditious processing of applications for permits, licences, the provision of services or other authorisations that may be necessary.

15.2 For the avoidance of doubt, it is hereby declared and acknowledged that the undertakings of the Lands Authority in terms of this Clause are subject to the Emphyteuta:

- i having made and duly filed all applications for the aforesaid permits, licences, provision of services or authorisations which it is obliged to file, which applications must be accompanied with all information, documents and details as are normally required by the appropriate authority; and
- ii having satisfied and/or complied with all requisites for the grant of such permits, licences, provision of services or authorisations or any conditions which are imposed on it, such requisites and/or conditions being such as are within its reasonable power and control to satisfy and/or comply with.

Clause 16 – Financing

16.1 The Emphyteuta may not grant or create or suffer to subsist any security interests, whether by way of privilege, hypothec (whether general or special) or other real right, over the Property or any part thereof except:

- i for the purpose of obtaining financing through banking institutions and/or other entities which will lend, or through which finance will be made available to the Emphyteuta solely for the purpose of developing the Property as set out in this Deed;
- ii as provided for in subclause five of clause seven (7.5);
- iii by operation of law;
- iv on such parts or the whole of the Property, for such purposes as the Lands Authority may otherwise consent, which consent must be in writing and may be given or withheld unreasonably and at its sole discretion.

16.2 For the avoidance of doubt, nothing in this deed shall be construed as prohibiting the Emphyteuta from granting or creating any security interest in any form whatsoever (including by way of privilege or hypothec) over any other assets of the Emphyteuta of whatever nature or kind other than over the Property.

16.3 Save as permitted by subclause one of this clause sixteen (16.1) no security interest shall be created over the Property by way of suretyship or for the purpose of guaranteeing any third party obligation, liabilities or financing irrespective of the extent, nature or place of the activities carried out.

Clause 17 - Antiquities

17.1 The Emphyteuta shall give immediate notice to the competent authority of the discovery of any trace of objects or monuments of local antiquarian or archaeological importance (including but not limited to all old remains such as caves, tombs, wells, stonewalls, pottery, coins, bones and other objects of a similar nature) on the Property. Any find of such movables shall "ipso facto" become the property of the Lands Authority.

17.2 On obtaining information of each such discovery the Lands Authority shall have the right to access any part of the Property to which the finds purport to relate, for the purposes of causing the latter to be inspected by any person delegated for the purpose

and on ascertaining the existence of such finds, the Lands Authority shall have the right to rescind the emphyteutical grant, on giving notice thereof to the Emphyteuta. In such event, the Emphyteuta shall be entitled to compensation only for the permit/s expenses and to the extent of the actual value of such works as it may have carried out on the site or otherwise in terms of this deed and at a valuation of the same to be made by the Lands Authority or its representative/s jointly with the Architect appointed by the Emphyteuta in terms of subclause four of clause eleven (11.4) of this deed, and it shall not be entitled to any other compensation of any sort;

Provided that in case of disagreement between the Architect and the Lands Authority or its representative/s mentioned in this subclause an independent Architect appointed by mutual consent and agreement of the Parties shall value the investments referred to in this subclause, whose valuation shall be final and binding on the Parties. The cost of the independent Architect shall be borne in equal proportions between the Parties.

Provided further that:

- (i) the Emphyteuta may nonetheless opt either to retain that part of the Property not affected by such finds with a proportionate diminution of ground rent or where this is possible integrate such finds within the Property; and
- (ii) should action by any Government Agency or Department or other person or entity appointed by the Lands Authority relative to any such discovery, cause any hindrance or delay in the progress of the works, the administrative reduction of the ground-rent in terms of sub-clause three of clause seven (7.3) of this deed for the duration of such hindrance and delay and an extension of all applicable and relative time limits will become effective.

17.3 The dissolution of the emphyteusis for failure to give the said notice as provided for in this deed, in terms of Clause seventeen point one (17.1) and Clause seventeen point two (17.2), shall not in any way diminish the liability of the Emphyteuta from any penal or other consequence deriving from

the provisions of the Cultural Heritage Act, Chapter four hundred and forty-five (445) of the Laws of Malta.

17.4 The Emphyteuta shall nonetheless have itself the right to demand the rescission of the emphyteutical grant if it proves in writing that the retention by itself of that part of the Property not affected by the finds with a relative diminution of ground rent or the integration of such finds within the Property would render the development of the Property and/or the operation of the Permitted Uses not viable and/or unfeasible. In such event, the Emphyteuta shall be entitled to compensation only for the permit/s expenses and to the extent of the actual value of such works as it may have carried out on the site or otherwise in terms of this deed and at a valuation of the same to be made by the Lands Authority or its representative/s jointly with the Architect appointed by the Emphyteuta in terms of subclause four of clause eleven (11.4) of this deed, and it shall not be entitled to any other compensation of any sort;

Provided that in case of disagreement between the Architect and the Lands Authority or its representative/s mentioned in this subclause an independent Architect appointed by mutual consent and agreement of the Parties shall value the investments referred to in this subclause, whose valuation shall be final and binding on the Parties. The cost of the independent Architect shall be borne in equal proportions between the Parties.

Clause 18 – Access Rights

18.1 The Emphyteuta shall permit the Lands Authority or its representative/s at all reasonable times, with a notice of not less than twenty-four (24) hours, to have access to the Property and to the improvements thereon and when requested to do so the Emphyteuta shall give all possible facilities and aid to enable the Lands Authority or its representative/s to verify whether the conditions of the emphyteutical grant are being or have been complied with. In the event that the Emphyteuta defaults in its obligations under this clause, the Emphyteuta will incur a penalty of two hundred Euro (€200) for each and every occurrence.

Clause 19 – Insurance

19.1 The Emphyteuta shall within one (1) month for the issuance of a Completion Certificate, insure and keep insured during the whole term of this emphyteutical grant at its own expense all Immovable Things existing and/or erected on the Property to their full current replacement value, together with an amount equivalent to a year's ground rent, for damages resulting from fire, lightning, tornado, storm, tempest, floods and explosions, bursting or overflowing of water tanks, apparatus or pipes, earthquakes and volcanic eruptions, subterranean fire, aircraft, impact, riots, strikes, malicious damage and other insurable perils and casualties as are commonly insured against, with respect to properties/premises of a similar character.

19.2 The contract of insurance shall include the clauses known as: Reinstatement, Public Authorities, Architects' and Surveyors' Fees, Debris clearance, Lease, Extensions, Designation of Property, Impact by Own Vehicle, Grantee's Improvements and Alterations.

19.3 The Lands Authority may at all times request the Emphyteuta to produce proof that such insurance has been validly affected.

19.4 The Emphyteuta shall ensure that the Lands Authority is named as beneficiary in the insurance policy and that any sums recoverable there under shall, first be applied to make good any losses suffered by the Lands Authority.

19.5 The Emphyteuta shall within a reasonable time supply the Lands Authority with certified true copies of the insurance policies with any amendments and relevant renewal receipts of the premiums paid in respect thereof, on commencement and on each renewal.

19.6 If the Emphyteuta fails to insure as so bound by this deed, the Emphyteuta shall be responsible for any damages arising.

Provided that if the Emphyteuta fails to obtain, maintain or renew the insurance policy/ies or any of them, the Lands Authority at its sole discretion may affect any missing insurance policy/ies and charge the relative expenses to the Emphyteuta.

Clause 20 – Interest

20.1 Any sum due by virtue of any provisions of this Deed shall, if not paid within thirty (30) days of the date due, be due with interests at the rate of eight per cent (8%) per annum to run from the date due and until it is so paid.

Clause 21 – Events of Default

21.1 The occurrence of one or more of the following events (in this deed collectively referred to as the “**Events of Default**” and each one an “**Event of Default**”) shall constitute a default and breach of this Emphyteutical Grant by the Emphyteuta and their occurrence shall entitle the Lands Authority to dissolve the Emphyteutical Grant:

- (a) if the Emphyteuta fails to pay the Ground-rent for three (3) years or if although it has made part payments in each year, a sum equal in amount to three (3) years’ ground-rent is still owed to the Lands Authority whether by way of ground-rent or interest thereon; or
- (b) if the Emphyteuta, for whatever reason not attributable to him or to any doing by him, is not in possession within thirty-six (36) months from the date of this deed of the Full Development Permit and/or Building Permit/s for the Development of the Property as provided for in this deed;
- (c) if the Emphyteuta fails to obtain the necessary development and/or building permit/s with the PA within thirty-six (36) months from the date of this deed for reasons attributable to it.
- (d) subject to the provisions of clause eleven point one (11.1) and to the other provisions in this deed extending the time limit for the completion of the development, restoration and embellishment of the Property and the commencement of operations of the Permitted Uses, if the Emphyteuta fails, to complete the Development of the Property as provided for in this deed and commence the operation of the Permitted Uses in accordance with this

deed and within the parameters of and in accordance with the Full Development Permit/Building Permits by not later than the term stipulated in this deed; or

- (e) if once commenced, the work in relation to the Property is interrupted for an aggregate period of six (6) months; or
- (f) if the Property is used for any purpose other than the Permitted Uses provided for in this deed, save for any exception/s provided for in this deed;
- (g) if the Emphyteuta fails to obtain and keep in full effect the insurance policy/ies it is required to keep in accordance with the terms of this deed; or
- (h) if the Emphyteuta becomes an Undesirable Person or if, either because of supervening circumstances or if because there is a change in either management or control of the Emphyteuta or in the beneficial ownership of an entity which determines management and control of the Emphyteuta becomes an Undesirable Person; or
- (i) if the Emphyteuta is in breach of any of the material conditions of this deed or any one of the conditions of this deed is not complied with; or
- (j) if the Emphyteuta encroaches on land outside the Property granted on temporary emphyteusis by virtue of this deed; or
- (k) if the Emphyteuta becomes insolvent; or
- (l) if a winding up order against the Emphyteuta is made by the Court or the appointment of a liquidator or provisional administrator; or
- (m) the passing of a resolution for the voluntary winding up of the Emphyteuta; or
- (n) the application for, or sanctioning by the Court of, a compromise or arrangement involving the Emphyteuta in terms of article three hundred and twenty-seven (327) of

the Companies Act, Chapter three hundred and eighty six (386) of the Laws of Malta; or

- (o) if the Emphyteuta fails to invest a minimum sum on the Property as set out in sub-clause five of clause eleven (11.5) of this deed.

Provided that in the event of (a) above, if there is any dispute about the amount due, the Emphyteuta shall effect payment of the amount not in dispute and the balance in dispute shall be payable together with interest thereon from the date when the balance was originally due up to the date of effective payment, if such dispute is resolved in favour of the Lands Authority;

21.2 The Lands Authority shall, prior to requesting the dissolution of the temporary emphyteusis on the basis of subclause one of this clause twenty one (21.1), notify the Emphyteuta and any creditor/s and/or bank/s and/or financial institution/s which had granted any credit facilities to the Emphyteuta and the Emphyteuta duly informed the Lands Authority thereof, of the Lands Authority's intention to dissolve the temporary emphyteusis, by means of a judicial letter. Nonetheless, the Lands Authority shall grant the Emphyteuta a period of three (3) months to remedy and/or rectify any such breach.

21.3 Without prejudice to any rights of the Lands Authority under this deed or at law, the Lands Authority shall be entitled to recover from the Emphyteuta all loses, damages, injuries, costs, expenses and liabilities of any kind (including legal fees and expenses) by the Lands Authority by reason of the Emphyteuta's default.

Clause 22 – Surrender of the Property

22.1 On the termination of the Emphyteutical Grant by lapse of term, or on the dissolution or determination or rescission or earlier termination of the Emphyteutical Grant for any reason whatsoever and by whoever, the Emphyteuta shall, without prejudice to any rights or claims pertaining to him in terms of this Deed or at law, surrender to the Lands Authority, the Property together with all Immovable Things appertaining

thereto whatsoever their value, with vacant possession save for any lawful recognised lessees, operators, managers or concessionaries, free and unencumbered, fully operational in a good state of repair, fair wear and tear excepted, according to law. The Emphyteuta shall have no right to compensation whatever may be the cause of the termination or dissolution or determination or rescission or earlier termination of the Emphyteutical Grant, unless otherwise provided for in this Deed.

Clause 23 – Third Party Rights

23.1 The dissolution or termination of the Emphyteutical Grant or any part thereof, whether at the instance of the Lands Authority or the Emphyteuta, shall be without prejudice to and shall not affect any rights, whether real or personal, in respect of the Property or any part thereof already then acquired by any third party acknowledged or entitled to be acknowledged by any lessee, operator, manager or concessionaire. Following such dissolution, any rents, or other fees falling due after dissolution payable by such third parties to the Emphyteuta shall be payable to the Lands Authority.

Clause 24 – Consents, Approvals or Directions required by the Emphyteuta

24.1 The Lands Authority and the Emphyteuta agree that all consents, approvals or directions which the Emphyteuta is required to obtain from the Lands Authority in terms of this Emphyteutical Grant shall be adequately obtained, if obtained in writing from the Lands Authority or any person or authority substituting the Lands Authority or otherwise nominated by the Government for this purpose.

Provided that where the Lands Authority has not objected to a request made by the Emphyteuta in terms of this clause, within a period of four (4) weeks, it shall be taken to mean that the Lands Authority has no objection to such a request.

Clause 25 – Performance Guarantee

25.1 The Emphyteuta is presently providing a bank guarantee in favour of the Lands Authority of ninety three thousand Euro

(€93,000), which guarantee shall be renewable yearly for the entire term of the Emphyteutical Grant, provided that following the Development of the Property, the Emphyteuta shall be entitled to substitute such a bank guarantee with an insurance cover in the same amount hereinabove indicated to warrant the payment of any of the damages hereunder stipulated. The Lands Authority shall, after granting the Emphyteuta prior notice, by means of a judicial letter, of the alleged breach in terms of the hereunder-listed paragraphs of this clause, and allowing the Emphyteuta a period of one (1) month to remedy and/or rectify any such breach, be entitled to withdraw, the said bank guarantee/insurance for any of the following reasons and in the below stated amounts:

(i) An amount of two hundred and fifty Euro (€250) *per diem*, as liquidated damages for mere delay, if the Emphyteuta has for reasons attributable to it and without a valid reason in terms of this Deed or at law, failed to obtain the Full Development Permit/Building Permits within a period of thirty-six (36) months from the date of signing of this deed, until such day the Emphyteuta obtains such Full Development Permit/Building Permits;

(ii) An amount of two hundred and fifty Euro (€250) *per diem*, as liquidated damages for mere delay, if development has not, without a valid reason in terms of this Deed or at law, commenced within a period of three (3) months from the date of issue of the Full Development permit/Building Permits, until such day that the Emphyteuta effectively commences such development;

(iii) An amount of two hundred and fifty Euro (€250) *per diem* as liquidated damages for mere delay, if the Development is, without a valid reason in terms of this Deed or at law, interrupted for a period exceeding four (4) weeks, until such day that the interruption ceases.

(iv) An additional amount of five hundred Euro (€500) *per diem*, as liquidated damages for mere delay, if the Development is, without a valid reason in terms of this Deed or at law, interrupted for an aggregate period of more than eight (8) weeks,

running from the eighth (8) week of such interruption until such day that the interruption ceases.

(v) An amount of up to one thousand Euro (€1,000) *per diem* as liquidated damages for mere delay, if the Property is, without a valid reason in terms of this Deed or at law, not in a Complete State within two years from the issuance of the Full Development Permit/Building Permits or any extension thereof, until such day that the Property is in a Complete State.

(vi) An amount of two hundred and fifty Euro (€250) *per diem* as liquidated damages if the Emphyteuta is, without a valid reason in terms of this Deed or at law, in manifest breach of any other of its contractual obligations, until such day as the manifest breach is effectively remedied.

Provided that such amount will only become due after a period of fourteen (14) days after the service of a letter sent by the Lands Authority to the Emphyteuta, requesting the rectification of the breach and such breach remains unrectified.

(vii) An amount of thirty one thousand Euro (€31,000) as liquidated damages if the Emphyteuta abandons the Emphyteutical Grant or the operation of the Permitted Uses for any reason whatsoever without a valid reason in terms of this Deed or at law.

Provided that the Lands Authority shall not be entitled to make any claim under or withdrawal from such guarantee/insurance, with effect from such period that the Lands Authority initiates its request for the dissolution of the temporary emphyteusis on the basis of subclause two of clause twenty one (21.2) above.

25.2 In the event that the Lands Authority shall make a withdrawal of any amount under the bank guarantee/insurance, the Lands Authority shall forthwith communicate such fact to the Emphyteuta, which shall in turn procure that, by not later than fifteen (15) days from the aforesaid communication, the bank guarantee/insurance shall be amended, so that the amount thereof is increased by the amount so withdrawn as if no such withdrawal has been made.

25.3 The bank guarantee/insurance shall be cancelled upon the termination for whatever reason of this Emphyteutical Grant.

Clause 26 – Indemnity

26.1 The Emphyteuta shall indemnify and/or keep the Lands Authority fully indemnified against all actions, proceedings, claims and demands brought or made against it as a result of any act or omission of the Emphyteuta in connection with anything relating to the temporary emphyteutical grant, and against all losses, damages, costs, expenses (including legal fees and expenses) and liabilities incurred, suffered or arising directly from any such act or omission of the Emphyteuta..

Clause 27 – No Right of Compensation/Reimbursement

27.1 Save as otherwise contemplated in this Deed, the Emphyteuta shall not be entitled for any reimbursement of any expenses incurred in the carrying out of any obligations undertaken to be performed and/or performed by virtue this deed. This clause shall apply both on the expiry of the temporary emphyteutical grant and also in case of dissolution or rescission or an early termination of the temporary emphyteutical grant for any reason whatsoever, save as otherwise provided for in this deed.

Clause 28 – Force Majeure

28.1 Without prejudice to subclause one of clause ten (10.1) but otherwise notwithstanding anything contained in this Deed, neither Party shall be liable for delay in performing or failure to perform obligations if the delay or failure results from *Force Majeure*. Such delay and/or failure resulting from *Force Majeure* shall not constitute a breach of this deed and the time for performance of the concerned obligation together with the administrative reduction of the Ground-rent in terms of subclause three of clause seven (7.3), shall be extended by a period equivalent to that during which performance has been prevented by *Force Majeure*.

Clause 29 – Severability

29.1 If any part, clause or provision, or any part thereof, of this deed shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If any provision of this deed is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

Clause 30 – Waivers

30.1 No waiver by any party (the “Non-Defaulting Party”) of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by the other party (the “Defaulting Party”) of the same or any other breach. The Non-Defaulting Party’s consent to or approval of any act shall not be deemed to render unnecessary the obtaining of the Non-Defaulting Party’s consent to or approval of any subsequent act by the Defaulting Party. The acceptance of ground rent or of any other dues under this Deed by the Lands Authority shall not be a waiver of any preceding breach by the Emphyteuta of any provision hereof other than the failure of the Emphyteuta to pay the particular ground rent or dues so accepted, regardless of the knowledge of the Lands Authority of such preceding breach at the time of acceptance of such ground rent or other dues.

Clause 31 – Applicable Law and Jurisdiction

31.1 This deed shall be read, governed by and construed according to the Laws of Malta and the parties hereby submit themselves to the exclusive jurisdiction of the Maltese Courts.

Clause 32 – Notices

32.1 Unless otherwise expressly provided in this deed, any notice, notification or other communication under or in connection with this deed shall be in writing and shall be delivered by hand or recorded delivery or sent by pre-paid first class post to the relevant party at the relevant address for service set out below or to such other address in Malta as each party may specify by notice in writing to the other party to the deed:

Name: **Lands Authority**
Address: Lands Authority,
Auberge de Bavière,
Saint Sebastian Street,
Valletta, Malta.
Attention: The Chief Executive Officer

Name: N/A
Address: N/A
Attention: N/A
N/A

32.2 Any such notice or other communication shall be deemed to have been served on the party to whom it is addressed as follows:

- i. If sent by hand or recorded delivery when so delivered;
- ii. If sent by pre-paid first class post from and to any place within Malta, three days after posting, unless otherwise proven.

32.3. For the avoidance of doubt, it is agreed that sub clause one of this clause thirty two (32.1) and subclause two of this clause thirty two (32.2) do not apply to judicial acts filed in the Courts of Malta which will be served in accordance with applicable Court procedures and service of such judicial acts shall be deemed to have been made in terms of law.

Clause 33 – Costs

33.1 Notarial fees and expenses payable upon publication of this deed shall be paid by the Emphyteuta.

33.2 Each Party shall be responsible for the payment of the fees of its own advisors.

Statutory Declarations

(A) For the purposes of the Government Lands Act (Chapter 573) (five hundred and seventy three) of the Laws of Malta, this deed and each one and all its Parts and the transactions contained therein have been approved by the House of Representatives of Malta by special resolution made during the sitting of the

(B) For the purposes of the Immovable Property (Acquisition by Non-Residents) Act, Chapter two hundred and forty six (246) of the Laws of Malta (the "AIP Act") the representative on this deed of _____ (the "Emphyteuta") declares that the Emphyteuta qualifies to acquire the temporary *dominium utile* of the Property acquired on this deed without the necessity of obtaining a permit under the AIP Act for the reason that (i) it is constituted under the laws of Malta; (ii) it has its registered address, principal place of residence and of business in Malta; (iii) not less than seventy five per cent (75%) of the shareholding in the said Emphyteuta and not less than seventy five per cent (75%) of the controlling shares of the said Emphyteuta belong to European Union citizens who have resided continuously in Malta for at least five years; (iv) it is not in any manner and whether directly or indirectly controlled by one or more non-resident persons; and (v) that the Property is required by the Emphyteuta for the purpose of carrying out the activity for which the Emphyteuta has been set up which purpose is also represented in the Memorandum and Articles of Association of the Emphyteuta; and that they are making this declaration after I the undersigned Notary warned them of the importance of the truthfulness and of the consequence in the case of false or erroneous declarations.

(C) For the purposes of the Duty on Documents and Transfers Act, Chapter three hundred and sixty four (364) of the Laws of Malta, the ad valorem duty due by the Emphyteuta on this deed amounts to.....

(D) For the purposes of the Income Tax Management Act, Chapter three hundred and seventy two (372) of the Laws of Malta and the Income Tax Act, Chapter one hundred and twenty three (123) of the Laws of Malta:

i. The Lands Authority and the Emphyteuta declare that for the purposes of sub-article twelve (12) of article five capital A (5A) of

the Income Tax Act, they have declared to the undersigned Notary all the facts that determine if the transfers made by virtue of this deed is one to which the aforesaid article 5A applies or otherwise and that are relevant for ascertaining the proper amount of tax chargeable or any exemption, including the value which, in their opinion, reasonably reflects the market value of the temporary *dominium utile* of the Property transferred by virtue of this deed, if this value is higher than the consideration for the transfer. The Lands Authority and the Emphyteuta make such declaration after I the undersigned Notary warned them about the importance of the truthfulness of this declaration of theirs.

ii. I the undersigned Notary declare that the Lands Authority is exempt from payment of income tax or capital gains tax.

(E) For the purposes of the Land Registration Act, Chapter two hundred and ninety six (296) of the Laws of Malta, I the undersigned Notary declare that the Property is.....

(F) Fees and expenses relative to the contract, including notarial fees will be at the charge of the Emphyteuta.

For the purpose of the second proviso to Sub-Article five (5) of Article eighty four letter C (84C) of the Notarial Profession and Notarial Archives Act, it is being declared that paragraph letter 'd' of the regulation number four (4) of the Legal Notice regarding the 'Examination of Title Regulations', the Notary is exempt '*ipso iure*' from examining the title with regards to the immovable property being acquired by means of this deed and the acquires declare that I the undersigned Notary explained to them the importance and consequences of such exemption.

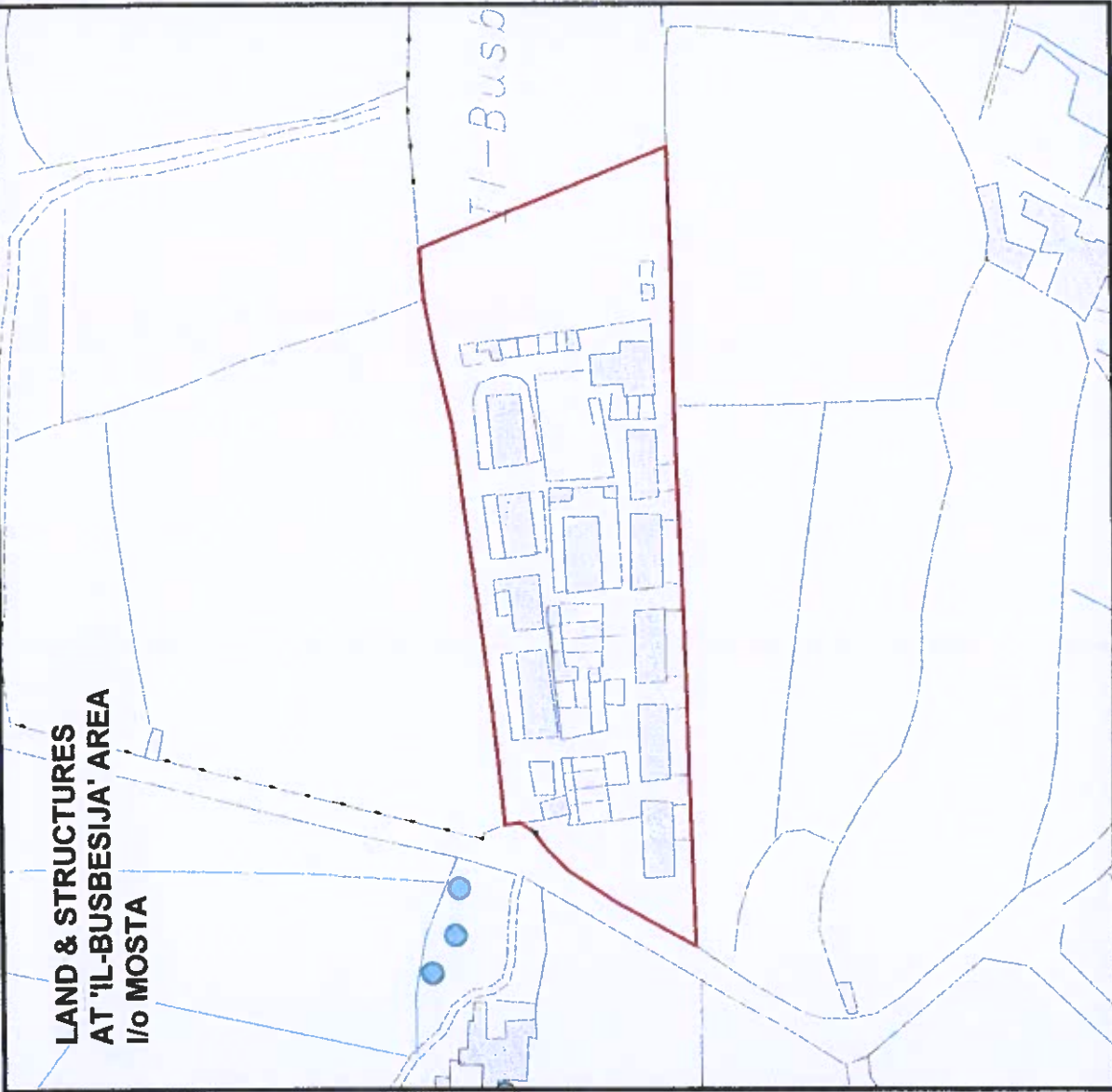
Since the documents annexed to this deed are more than five (5), a list of the annexed documents is also annexed to this deed as a document marked with the letter "X" for the signature of the parties in lieu of the documents themselves as allowed by law.

This deed has been done, read and published by me the undersigned Notary after I explained the contents hereof to the Parties hereto according to the law in

LIST OF DOCUMENTS

- Annex A - Board Resolution
- Annex B - Clarification notes presented by the Emphyteuta to the _____.
- Annex D - Original Proposal presented by the Emphyteuta in response to the RFP.
- Annex E - The RFP published by the Government of Malta on the 29th July 2014.
- Annex F - The plan indicated as Property Drawing number one hundred and twenty five underscore eighty two underscore four (P.D. 125_82_4) and is shown on the Survey Sheet inserted in the same plan.

**LAND & STRUCTURES
AT 'IL-BUSBESIJA' AREA
I/O MOSTA**



Site Plan
S.S. 4674

Scale 1:2500
Map Ref. 46795
74655



PROPERTY No.: 51538
AREA : 6,888m²

SUBJECT TO THIRD PARTY
SERVITUDE & RIGHT ACCESS



**GOVERNMENT PROPERTY DEPARTMENT
ESTATE MANAGEMENT DIRECTORATE**

LOCALITY: MOSTA

P.D. No: 125 82 4

SCALE 1:1000

FILE: L1311/1963

DRAWN BY:
DEMIRBAH

(sgd. S. Scotto)

(sgd. R. Camilleri)

A&CE

Director Estate Management

DATE: 12/09/2012

DATE: 12/09/2012



Company Details

Company Registration Number C 85801 - GP BORG BUSBESIJA LIMITED

Company Registration Number	C 85801
Company Name	GP BORG BUSBESIJA LIMITED
Registration Date	Apr 13, 2018
Registered Office	'CONSCARM', TRIQ TA'L-IBRAG, TA'L-IBRAG,
City/Locality	SWIEQI SWQ 2039
Country	MALTA

70.

CBS8011

REGISTRY OF COMPANIES
 CASH DATE
 13 APR 2018
 HSBC Chq No. 940
 Validity subject to Bank Clearance
 € 260 11646796

COMPANIES ACT 1995

MEMORANDUM OF ASSOCIATION

JM

13 APR 2018

OF

GP BORG BUSBESIJA LIMITED

TRUE COPY OF
 ORIGINAL
 29/03/19

NAME

1. The name of the Company is GP Borg Busbesija Limited.

ADDRESS

2. The registered office of the Company shall be at 'Conscarm', Triq ta' L-ibrag, Ta' L-ibrag SWQ 2039, or at such other address as the Board of Directors may from to time determine.

OBJECTS

3. The main trading activity for which the Company is being established is:

a. to carry on the business of owning, managing and operating any hotel, spa, resort, guesthouse or other holiday premises or tourist establishments and to provide thereat or therefor any and all facilities, amenities and services customarily available at such establishments;

Ancillary objects include:

- b. to manage or operate, directly or indirectly, through concession or lease or by any other agreement permissible at law, any property whatsoever, movable or immovable, whether acquired or developed;
- c. to purchase, take on lease, exchange, or acquire by any title whatsoever, any property, movable or immovable, which may be required in connection with the Company's business;
- d. to acquire shares, stocks, debentures and debenture stock, obligations and securities issued or guaranteed by any company constituted or carrying on business in any part of the world and/or any right or interest therein;
- e. to borrow, raise or secure the payment of money for the purpose of or in connection with the Company's business or to otherwise stand as surety for third parties and to secure the repayment of any monies borrowed or guaranteed by hypothecation, charge or lien upon the whole or part of the moveable or immovable property or assets of the Company, present and future;
- f. to draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;

- g. to sell, lease, hypothecate or otherwise dispose of the whole or part of the property, assets and undertakings of the Company;
- h. to obtain any licences or authorisations as may be required in connection with the Company's business;
- i. to do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them. It is hereby expressly declared that each paragraph of this clause shall be construed independently of the other paragraphs thereof and that none of the objects mentioned in any paragraph shall be deemed to be merely subsidiary to the objects mentioned in any other paragraph,

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.

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

CAPITAL

5a) The Authorised Capital of the Company is € 2,000 (two thousand Euro) divided into 1700 (one thousand seven hundred) Ordinary Class 'A' Shares of €1.00 each and 300 (three hundred) Ordinary Class 'B' Shares of €1.00 each.

5b) The Issued Capital of the Company is € 2,000 (two thousand Euro) divided into 1700 (one thousand seven hundred) Ordinary Class 'A' Shares of €1.00 each and 300 (three hundred) Ordinary Class 'B' Shares of €1.00 each – which have all been allotted and fully paid up as follows :

G&P Borg Limited
C 16209
'Conscarm'
Triq l-Ibragg, Swieqi

1700 Ordinary 'A' Shares

Alan Agius
ID: 69471M
18 Triq Ghar il-Lembi, Sliema

300 Ordinary 'B' Shares

The Class rights of each and all classes of shares shall, save as otherwise stipulated under the Memorandum and Articles of Association of the Company, rank *pari passu*.

DIRECTORS

- 6. The Company shall be administrated and managed by a Board of Directors, who may exercise all such powers as are not required by law to be exercised by the Company in General Meeting. The Board of Directors shall consist of not less than two (2) and not more than three (3) Directors, with the holders of the Class 'A' Shares being entitled to appoint two (2) Directors to the Board of Directors of the Company and the holders of

the Class 'B' Shares being entitled to appoint one (1) Director to the Board of Directors of the Company.

The first Directors of the Company shall be:

Diane Buttigieg (Identity Card no: 483568M) of "The Croft", Triq il-Missjunarji Maltin, Mosta; and

Conrad Borg (Identity Card no. 230087M) of Mulino Residences, 502, Matteolo Saliba Street, Zurrieq

both the above directors having been appointed by the holders of the Class "A" Shares; and

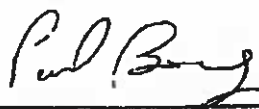
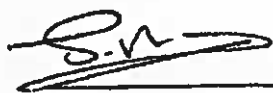
Alan Agius (Identity Card no: 69471M) of 18 Triq Ghar il-Lembi, Siema, having been appointed by the holders of the Class "B" Shares.

COMPANY SECRETARY

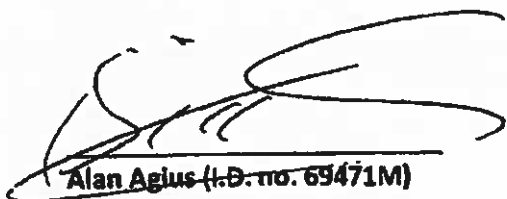
7. The first Secretary of the Company shall be Diane Buttigieg (Identity Card no: 483568M) of "The Croft", Triq il-Missjunarji Maltin, Mosta

JUDICIAL AND LEGAL REPRESENTATION

8. The legal and judicial representation of the company shall be exercised by any two (2) Directors of the Company, acting jointly. Without prejudice and in addition 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.



George Borg (I.D. no. 717544M) and Paul Borg (I.D. no. 106848M)
on behalf of G&P Borg Limited (C 16209)



Alan Agius (I.D. no. 69471M)

COMPANIES ACT 1995

ARTICLES OF ASSOCIATION

OF

GP BORG BUSBESUA LIMITED

PRELIMINARY

1. The regulations contained in Article 211 and the regulations contained in Part I and regulations 2 and 4 (but not Regulations 1 and 3) in Part II of the First Schedule to the Companies Act, 1995 (hereinafter called the "Act") shall apply to the Company save so far as they are excluded or varied hereby.

PRIVATE EXEMPT COMPANY

2. The Company is established as a private exempt Company and accordingly:
 - (a) 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; and
 - (b) the number of persons holding debentures of the company is not more than fifty.

SHARE CAPITAL AND SHARES

3. The whole of the unissued share capital of the Company from time to time in the Company and any new shares in the Company shall be allotted by an Extraordinary resolution of the General Meeting of the Company.
4. Unless otherwise provided for in the terms of issue, each share in the Company shall give rise to one (1) vote at the General Meeting of the Company.
5. Regulation 1 of Part I of the First Schedule of the Act shall be read and construed as if the word "ordinary", where it appears, were substituted for the word "extraordinary".

TRANSFER AND TRANSMISSION OF SHARES

6. The right to transfer the shares in the Company is restricted in the manner and to the extent prescribed in the Articles of the Association PROVIDED that in no case may a part of a share form the object of a transfer or transmission.

7. A share may only be transferred by a member of the Company PROVIDED that the under-mentioned procedure is followed:-
- i. any member who intends to transfer his share or any of them (hereinafter called the "proposing transferor") shall give notice in writing, (hereinafter called the "transfer notice") to the Board of Directors that he desires to transfer the same. The transfer notice shall specify the number of shares to be transferred, the name of the proposed transferee and the price of the shares to be transferred. The receipt by the Board of Directors of a transfer notice shall constitute the said Board as the proposing transferor's agent for the sale of his shares and shall not be revocable except with the sanction of the Board of Directors;
 - ii. the shares specified in the transfer notice shall, by a written notice to be sent within not later than thirty (30) days after receipt of the transfer notice, be offered by the Board of Directors at the price stated by the transferor in the transfer notice to all the other members of the Company. The members of the Company shall be invited to state in writing, within thirty (30) days from the date of the offer, whether they are willing to purchase any, and if in the affirmative, what maximum number, of the said shares. Upon the expiration of the said thirty (30) days, the Board of Directors shall allocate the said shares to/or amongst the members of the Company who shall have expressed his or their willingness to purchase as aforesaid and, if more than one (1), so far as may be in proportion to the number of shares then held by each of them respectively, PROVIDED that no member shall be obliged to take more than the maximum number of shares so notified by him as aforesaid;
 - iii. the proposing transferor shall complete and execute the transfers of the said shares in accordance with the allocations made by the Board and shall surrender the share certificates to the Board;
 - iv. if the Board of Directors shall be unable, within three (3) months of the receipt of the transfer notice, to find a purchaser or purchasers for all of the shares among the existing members, the proposing transferor shall be entitled to sell the shares to the person and at the price originally indicated in the transfer notice.
- 8.a. No restriction on the transfer of shares shall apply where such transfer takes place, whether *inter vivos* or *causa mortis*, to an ascendant or direct descendant of a member, or to his spouse, or to another member of the Company holding shares of the same class as those shares being transferred. If the transferees be more than one, they shall be entitled to elect one among them to represent their interests in the Company;
- 8.b. In all other cases which are not specifically excluded by virtue of this article, a share shall only be deemed to have been validly transferred by a member of the Company, and the Board of Directors shall only be permitted to register the transferee as the

registered holder of such share, if the transfer has been executed in strict compliance with the procedure described in article seven (7) above.

9. Where the transfer of any share takes place *causa mortis*, the Board may, in its absolute discretion and without assigning any reason therefor, refuse to register the transfer of any share to any person other than any of the persons mentioned in the immediately preceding Article.
- 10.a. Any person becoming entitled to a share in consequence of the death of a member may, upon producing such evidence as may properly be required by the Board, and subject to what is herein stipulated, elect to be registered as a member of the Company.
- b. Any person having elected to be registered as a member shall deliver notice in writing to the Board indicating his intention to be registered as a member and if such person be one of the persons mentioned in Article 8 above, the Board shall proceed forthwith to the registration of that person as a member. If the person is not one of the persons mentioned in Article 8 above, and is refused registration by the Board, the provisions of this agreement relating to the transfer of shares and the registration thereof shall apply and the notice mentioned above shall be deemed to constitute a transfer notice.
11. Regulations 13, 14, 16, 17, 18 and 19 of Part I of the First Schedule shall not apply to the Company.

GENERAL MEETINGS

12. All members of the Company, even those not enjoying voting rights in the Company, shall be entitled to receive notice of a General Meeting of the Company and to attend at such meeting.
13. No business shall be transacted at any General Meeting of the Company unless a quorum of the members is present at the time when the meeting proceeds to business. For all purposes, the quorum at any shareholders' meetings shall be of one or more members holding not less than fifty one per centum (51%) of the issued share capital of the Company, whether present in person or by proxy. Regulation 36 of Part I of the First Schedule of the Act shall not apply to the company.
14. Regulation 37 of Part I of the First Schedule of the Act shall be read and construed as if the word "the members present shall be a quorum" were substituted for the words "the members present, even if only one, provided he holds more than fifty one per centum (51%) of the share capital of the Company, shall be a quorum".
15. A poll may be demanded at any General Meeting of the Company by the Chairman of the Company or by any member present in person or by proxy and entitled to

vote. Regulation 41 of Part I of the First Schedule of the Act shall be modified accordingly.

16. Subject to any right or restriction for the time being attached to any class or classes of shares, whether on a show of hands or on a poll, votes may be given either personally or by proxy.
17. An Ordinary Resolution of the Company in General Meeting shall be deemed to have been validly carried out if consented to by a number of members, present in person or by proxy, holding in aggregate not less than fifty one per centum (51%) of the total number of voting shares being held by all the members of the Company.
18. An Extraordinary Resolution of the Company in General Meeting shall be deemed to have been validly carried out if consented to by a number of members, present in person or by proxy, who hold in aggregate not less than seventy per centum (70%) of the total number of voting shares being held by all the members of the Company.

For the purposes of this article, any alteration or addition to the Memorandum and Articles of Association; any issue or conversion of shares; any increase or reduction of the issued share capital; and the liquidation and dissolution of the Company shall only be deemed to have been validly carried out if approved by an extraordinary resolution of the Company in General Meeting.

19. Regulation 48 of Part I of the First Schedule of the Act shall be read and construed as if the words "not less than twenty-four (24) hours" where they occur, were omitted.

DIRECTORS

20. Where any vacancy arises in the Board of Directors on account of the death, resignation or removal of a director, the holder/s of the class of Ordinary Shares having originally appointed such a director shall within thirty (30) days from the occurrence of the casual vacancy appoint another director in his stead.
21. The Directors shall hold office until such time as he dies, resigns or is removed by the General Meeting of the Company in terms of Section 140 of the Act until he is removed by the members of the class of shares who had appointed him. Notwithstanding the dispositions of these Articles, any Director may be removed by the Company in General Meeting in accordance with provisions of Section 140 of the Act PROVIDED that a vacancy created by any such removal shall be filled as a casual vacancy.
22. The quorum necessary for the transaction of the business of Directors shall be two (2) Directors.
23. The Directors may, at any time, authorise, either generally or for a specified time, any person to be his alternate Director. The person so authorised shall have the right

to attend and vote for him in his absence at any Board Meeting. Any such authority must be in writing and must be produced at the first meeting at which it is intended to be acted upon.

24. The Board of Directors shall have the power to transact all business of whatsoever nature not expressly reserved by the Memorandum and Articles of Association of the Company or by the provisions of any law for the time being in force to be extended by the Company in General Meeting.
25. No Director shall be prohibited from acting in competition with the Company, whether on his own account or on behalf of, or in partnership with, any third party, and the Director shall not require the prior approval of the Company for such purpose.
26. No Director shall be disqualified by his position as Director from entering into any contract or arrangement with the Company, provided that such Director shall not vote or be taken into account for the purpose of constituting a quorum in respect of any contract or arrangement in which he may be in any way interested by and may retain any profits and advantages accruing there from.
27. The Directors may hold office or place of profit under the Company (other than that of the Auditor) on such terms and as to remuneration and otherwise as the Board of Directors may determine

LEGAL REPRESENTATION

28. All powers of the Board, including borrowing powers, to bind the Company and to undertake obligations and liabilities on behalf of the Company shall be unlimited. The legal representation shall be exercised by any two (2) Directors of the Company acting jointly, provided that the Board of Directors may, without prejudice to the aforesaid, appoint any other person or persons for any such purpose.
29. Deeds of whatsoever nature engaging the Company and all other documents purporting to bind the Company as well as cheques, bills of exchange, promissory notes and other negotiable instruments shall be signed and executed, on behalf of the Company, by any two (2) directors of the Company, acting jointly, provided that, without prejudice to the aforesaid, the Board of Directors may appoint any other person or persons, jointly or severally, for such purposes.

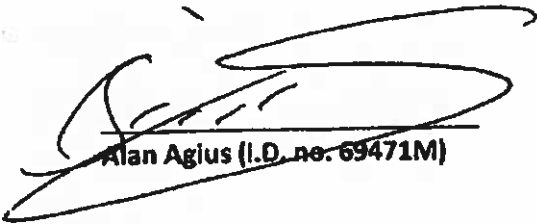
NOTICE

30. Any notice must be served by registered mail and shall be deemed to have been served on the day immediately following that on which it was posted and in proving such service, it shall be sufficient to prove that the notice was properly addressed and posted. Every registered member and the Auditor for the time being of the

Company shall be entitled to receive the notice of General Meeting. Regulations 81 and 82 of Part 1 of the First Schedule to the Act shall not apply to the Company.

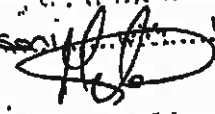
 

George Borg (I.D. no. 717544M) and Paul Borg (I.D. no. 106848M)
on behalf of G&P Borg Limited (C 16209)



Alan Agius (I.D. no. 69471M)

For ... 13 ... 2018.
Filed by: A. Pisoni ...


i.e. ...

CHRISTIAN ABELA