

meeting, the provisions of these Articles of Association relating to general meetings of the Company shall apply, but in such a manner that the requisite quorum shall be two persons holding or representing by proxy at least one-third of the issued shares of that class, and so that any holder of shares of that class present in person or by proxy shall be entitled to demand a poll. The provisions of Regulation 77 concerning written resolutions of the members shall apply, mutatis mutandis.

6. The rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) shall not be deemed to have been varied in any way by the creation or issue of additional shares ranking *pari passu* with such shares.
7. The Company may exercise the powers of paying commission in accordance with Section 52 of the Law, provided that the rate or amount of the commission paid or agreed to be paid is disclosed in the manner required by the aforesaid section, and that the rate of commission does not exceed ten percent of the price at which the shares in respect of which such commission is paid are issued, or an amount equal to ten percent of such price (as the case may be). Such commission may be paid either in cash or by the allotment of fully or partly paid shares, or partly in one way and partly in the other. The Company may also, upon any issue of shares, pay lawful brokerage.
8. The Company may, if the Directors so decide by majority, recognize the existence of a trust over one or more shares, subject to the provisions of Section 112 of the Law. The Company shall notify its decision to recognize any trust by letter to the trustees, and such recognition shall be irrevocable for so long as the trust continues to exist, even if the trustees, or some of them, are replaced.
9. Every person whose name is entered as a member in the Register of Members shall be entitled to receive, free of charge, within two months from the date of allotment or of registration of the transfer of shares (or within such other period as the terms of issue may provide), one certificate for all his shares, or, if he so requests, several certificates each relating to one or more shares, upon payment of 0.50 cents, or the equivalent in any lawful currency of the Republic of Cyprus, or such lesser sum as the directors may from time to time determine, for every certificate after the first. Each certificate shall bear the seal, shall specify the shares to which it relates, and shall state the amount paid up in respect thereof. Provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate in respect of a share to one of several joint holders shall be sufficient delivery to all such holders.
10. If a share certificate is defaced, lost, or destroyed, it may be



replaced by a new certificate upon payment of a fee of €0.50 cents, or such lesser sum, and upon such terms (if any) as to evidence and indemnity, and to payment of the actual expenses of the Company in connection with the investigation of the evidence, as the directors may think fit.

11. The Company shall not give, directly or indirectly, and whether by way of loan, guarantee, the provision of security, or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for shares in the Company or in its holding company; nor shall the Company make a loan for any purpose whatsoever on the security of its shares or the shares of its holding company; provided, however, that nothing in this Regulation shall be deemed to prohibit the transactions referred to in the proviso to Section 53(1) of the Law.

LIEN

12. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares registered in the sole name of any person for all moneys presently payable by that person or his estate to the Company, for any reason and on any account; but the directors may at any time declare any share to be wholly or partly exempt from the provisions of this Regulation. The Company's lien, if any, on a share shall extend to all dividends payable in respect thereof, as well as to any capital or other moneys that may at any time be payable by the Company to the holder of such share.
13. The Company may sell, in such manner as the directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a written notice, stating and demanding payment of the sum presently payable, has been given to the then registered holder of such share, or to the person entitled thereto by reason of his death or bankruptcy.
14. To give effect to any such sale, the directors may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.



15. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, (subject to a like lien for sums not presently payable as existed upon the shares before the sale) shall be paid to the person entitled to the shares at the date of the sale.

ISSUE OF SHARES

16. Unless otherwise determined by special resolution of the Company, all unissued shares of the original or increased capital of the Company, and all securities convertible into shares, which the directors decide to issue, shall be offered to the members in proportion to the shares already held by them; and such offer shall be made by notice specifying the number of shares or securities to which each member is entitled and limiting the time within which the offer, if not accepted, shall be deemed to have been declined; and after the expiration of such time, or upon receipt of a declaration from the member to whom such notice was given that he declines to accept the shares or securities offered to him, the directors may dispose of them in such manner and to such persons and upon such terms as they think fit.

CALLS ON SHARES

17. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of the nominal value of the shares or by way of premium and not payable, under the terms of issue, on fixed dates), and each member shall (provided he has received at least fourteen days' notice specifying the date or dates and place of payment) pay to the Company, at the date or dates and place so specified, the amount called in respect of his shares. A call may be revoked or postponed at the discretion of the directors.
18. A call shall be deemed to have been made at the time when the resolution of the directors authorizing the call was passed, and may be made payable by installments.
19. The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of that share.
20. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for its payment to the time of actual payment, at such rate not exceeding nine percent per



annum, as the directors may determine from time to time, but the directors shall have the right to waive payment of such interest wholly or in part.

21. Any sum which, by the terms of issue of a share, becomes payable upon allotment or at any fixed date, whether in respect of the nominal value of the share or by way of premium, shall, for the purposes of these Articles of Association, be deemed to be a call duly made and payable on the date on which, by the terms of issue, it becomes payable; and, in case of non-payment, all the relevant provisions of these Articles of Association as to payment of interest and expenses, forfeiture, or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
22. The directors shall be entitled, upon the issue of shares, to differentiate between the holders of shares as to the number of calls, the amount to be paid on each call, and the time of payment.
23. The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding nine percent per annum as may be agreed upon between the directors and the member paying such sum in advance (unless the Company in general meeting shall otherwise direct), and subject to compliance with the provisions of any law in force at the relevant time.

TRANSFER OF SHARES

24. The instrument of transfer of any share shall be executed by or on behalf of the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect of such share.
25. The shares of the Company shall be transferred by means of the following form, or any usual or common form approved by the directors:

"INSTRUMENT OF TRANSFER OF SHARES"

I, A B, of -----, in consideration of the sum of €. ----- paid to me by C D, of -----
----- (hereinafter called "the transferee"), do hereby transfer to the transferee
one share / ----- shares of the Company GASTONE CLUB ONLINE LTD, to hold
unto the transferee, his executors, administrators, and successors, subject to the same conditions
upon which I held the same at the time of the execution of this transfer.



And I, the transferee, do hereby agree to accept the above share(s) subject to the above conditions.

THE TRANSFEROR

THE TRANSFEREE

Made and signed on the ----- day of ----- 20----

WITNESS TO THE SIGNATURES:

Signature -----

26. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of any share, whether or not it is a fully paid share, and may also decline to register the transfer of any share on which the Company has a lien; and they shall be bound to decline to register the transfer of any share if, by such transfer, the number of members of the Company (excluding persons who are in the employment of the Company and persons who were formerly in the employment of the Company and who, during and after the termination of such employment, continued to be members of the Company) would exceed fifty.

PROVIDED that the Directors may not decline to register the transfer of any share by any member to his spouse, or father, or mother, or children, or other descendants, unless by such transfer the number of members of the Company (excluding persons who are in the employment of the Company and persons who were formerly in the employment of the Company and who, during and after its termination continued to be members of the Company) would exceed fifty; or the transfer of any share to any other member.

27. The Directors shall also have the right to reject any instrument of transfer of shares unless:
- (a) a fee of One Euro (€1), or its equivalent in any lawful currency of the Republic of Cyprus, is paid to the Company;
 - (b) the instrument of transfer of shares is accompanied by the certificate of the shares to which it relates and by such other evidence as the Directors may reasonably require to prove the right of the transferor to make the transfer; and
 - (c) the instrument of transfer of shares relates to one class of shares only.
28. In the event that the Directors decline to register a transfer, they shall, within two months from the date on which the instrument of transfer of shares was lodged with the Company, send to the transferee written notice of the refusal to register the transfer.
29. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, always



provided that such suspension shall not be in force for more than thirty days in any year.

30. The Company shall be entitled to charge a fee, not exceeding One Euro (€1) or its equivalent in any lawful currency of the Republic of Cyprus, as the directors may from time to time determine, for the registration of any grant of probate, letters of administration, certificate of death, power of attorney, or other document.
31. No share may be given by any member of the Company as a pledge or security for any loan, debt, or obligation without the prior written approval of the Directors, and the Directors shall decline to register or recognize any pledge or security given in breach of this Regulation. Any pledge or any security made or given in breach of this Regulation shall be void as against the Company.
32. (a) No share shall be transferred to any person who is not a member of the Company, or a spouse, or descendant, or father, or mother of the transferring member, if and so long as any member, or any person nominated by the Directors as a person whom it is desirable, in the interest of the Company, to admit as a member of the Company, is willing to purchase it at its fair value.
- (b) A member who intends to transfer any share (hereinafter referred to as "the transferring member") shall give written notice (hereinafter referred to as "the transfer notice") to the Company that he wishes to transfer it. The transfer notice shall state the sum which the transferring member fixes as the fair value and shall constitute the Company his agent for the sale of the share to any member of the Company, or to any person nominated by the Directors as a person whom it is desirable to admit as a purchaser of the share (hereinafter referred to as "the purchasing member"), at the value so fixed, as stated above, or at the fair value determined by the Auditor of the Company (hereinafter referred to as the "Auditor"), in accordance with paragraph (d) below. The transfer notice may include a number of shares, in which case it shall be treated as a separate notice in respect of each share. The transfer notice may not be revoked except with the leave of the Directors.
- (c) If the Company, within twenty-eight days from the service of the transfer notice, finds a purchasing member and gives notice thereof to the transferring member, the latter shall be bound, upon payment to him of the fair value as determined in accordance with paragraph (b) or (d) of this Regulation, to transfer the share to the purchasing member.
- (d) In the event of any dispute arising between the transferring member and the purchasing member as to the fair value



of any share, the Auditor shall, upon the application of either of them, certify in writing, and without giving reasons, the sum which in his opinion constitutes the fair value; and in performing this certification the Auditor shall be deemed to act as an expert and not as an arbitrator, and accordingly the provisions of the Arbitration Law, Cap. 4, and of any law amending or replacing it, shall not apply.

- (e) In the event that the transferring member fails to transfer the share which he is bound to transfer as aforesaid, the Company may receive the purchase price and cause the name of the purchasing member to be entered in the Register of Members as the owner of the share, and the purchase price shall be held by the Company on behalf of the transferring member. The Company's receipt for the purchase price shall constitute a good discharge to the purchasing member, and after his name has been entered in the Register of Members in accordance with the powers conferred by this Regulation, the validity of the proceedings shall not be questioned by any person.
- (f) In the event that the Company fails to find a purchasing member and to give the notice referred to above within the period of twenty-eight days from the date of service of the transfer notice, the transferring member shall be free, within three months from the expiration of the aforesaid period, to sell and transfer the share (or, if there are more than one, the shares that have not been disposed of) to any person and at any price.

Provided that this provision does not abrogate the provisions of Regulation 26 above.

- (g) The Directors may make, and from time to time amend, regulations as to the manner in which the shares referred to in the transfer notice shall be offered to the members, and as to the rights of the members with respect to the purchase of such shares.
- (h) Except in the case where the provisions of paragraph (e) above apply, no transfer of shares shall be registered unless a valid instrument of transfer, accompanied by the certificate of the shares and any other evidence as the Directors may require to prove the right of the member to make the transfer, is first delivered to the Company.

TRANSMISSION OF SHARES

- 33. In the event of the death of a member, if the deceased was a holder of shares jointly with another or other members, the surviving holder or holders, and, if the deceased was the sole holder, his legal personal representatives, or, in the absence of such personal representatives, his heirs, shall be the only persons entitled to be recognized by the Company as having any title to his interest in the shares. Nothing herein, however, shall release the estate of a deceased member who was a joint holder of shares with another member from



any liability in respect of the shares held jointly.

34. A person becoming entitled to a share as a result of the death or bankruptcy of a member shall, upon producing such evidence as may from time to time be required by the directors and subject to the provisions set out below, be entitled to elect either to be registered himself as the holder of the share, or to have some other person nominated by him registered as the transferee thereof; but the directors shall, in either case, have the same right to decline or reject registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.
35. If the person becoming entitled to a share in the aforesaid manner elects to be registered himself, he shall deliver or send to the Company a written notice signed by him stating that he so elects. If he elects to have another person registered as the holder of the share, he shall testify his election by executing an instrument of transfer of the share to that other person. All the restrictions, prohibitions, and provisions of these Regulations relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer as aforesaid, as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member himself.
36. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other benefits to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled to exercise any right conferred by membership in relation to meetings or written resolutions of the members of the Company.

Provided always that the directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the directors shall thereupon be entitled to withhold payment of all dividends, bonuses, or other moneys payable in respect of the share until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

37. If a member fails to pay any call or installment of a call on the day appointed for payment thereof, the directors may, at any time thereafter and while any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any accrued



interest.

38. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
39. If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect.
40. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.
41. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares; but his liability shall cease if and when all moneys due to the Company in respect of such shares shall have been paid in full.
42. A written declaration, as provided by the Law, that the person making the declaration is a director or the secretary of the Company, and that a share in the capital of the Company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share. The Company shall be entitled to receive the consideration, if any, given for the share on its sale or disposition, and shall be entitled to transfer the share to the person to whom the share is sold or disposed of, who shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, or disposition of the share.
43. The provisions of these Articles of Association relating to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed date, whether in respect of the nominal value of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.



ALTERATION OF CAPITAL

44. The Company may from time to time, by ordinary resolution, increase its capital by such amount, divided into shares of such value, as may be specified in the resolution, and may determine the persons to whom the shares shall be allotted and the terms upon which they shall be allotted.
45. The Company may by ordinary resolution:
- (a) consolidate and divide all or any part of its share capital into shares of larger value than its existing shares;
 - (b) subdivide its existing shares, or any of them, into shares of smaller value than that fixed by the Memorandum of Association, subject, however, to the provisions of Section 60(1)(d) of the Law;
 - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
46. The Company may by special resolution reduce its share capital, or its capital redemption reserve fund, or its share premium account, in any manner and subject to the taking of every authorized action and the obtaining of every consent required by Law.

GENERAL MEETINGS

47. The Company shall in each year hold a general meeting as its annual general meeting, in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it; and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next.

Provided that the Company shall not be bound to hold an annual general meeting in the year of its incorporation or in the following year, but provided, however, that it shall hold its first annual general meeting within eighteen months of its incorporation.

The annual general meeting shall be convened at such time and place as the directors may determine, and may also be held by electronic means if deemed necessary.

48. All general meetings other than the annual general meeting shall be called extraordinary general meetings.
49. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened by the directors upon the requisition of members and, in default of the

