

THE COMPANIES LAW, CAP. 113

OF THE STATUTE LAWS OF THE REPUBLIC OF CYPRUS

PUBLIC COMPANY LIMITED BY SHARES

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
SEABIRD EXPLORATION LIMITED**

MEMORANDUM OF ASSOCIATION

of

SEABIRD EXPLORATION LIMITED

1. NAME

The name of the Company is **SeaBird Exploration Limited** (hereinafter referred to as "the Company").

2. REGISTERED OFFICE

The registered office of the Company is located in Cyprus.

3. OBJECTS

The objects for which the company is established are:

- 3.1** To carry on or undertake any commercial activity relating to providing oil and gas exploration, production and participation, seismic data services onshore, transition zones and offshore, and general offshore energy related services and whatever else may be considered incidental or conducive thereto, including but not limited to, acting as a holding company to companies engaging in such activities; investing in other companies engaged in any of aforementioned activities; buying, selling or otherwise dealing with or acquiring property in the oil or gas industry; mortgaging, borrowing or charging its assets or acting as guarantor in connection with undertaking or any of the activities whether for itself or any affiliates or third parties.

For the purposes of the foregoing paragraph, the Company has full rights, powers and privileges to undertake any of the matters mentioned therein.

The objects of the company in 3.1 above do include 3.2 to 3.38 as follows:

- 3.2** To acquire the whole or any part of the shares, debentures, debenture or other stock or other securities of any company, authority or undertaking the acquisition of which could in the opinion of the Directors promote or be conducive to the objects or enhance the property or interests of the Company and to manage, deal with, replace, exchange or dispose of same.
- 3.3** To apply for, take out, purchase or otherwise acquire, lease, exchange, register and use any patents, brevets d' invention, trademarks, copyrights, licences, business names, concessions, easements, rights or privileges and to sell, lease, assign or otherwise secure or grant licences or consents for the use thereof or any of them.
- 3.4** To carry on business as advisers on the administration and organisation of industry, commerce and business and the training and utilisation of personnel for industry, commerce and business, and to carry on all or any of the businesses of industrial, business and personnel consultants, and to advise on the extending, developing and improving of all types of business or industries and all systems or processes relating to the production, storage, distribution, marketing and sale of goods or the rendering of services.
- 3.5** To engage in research into all problems relating to personnel and industrial and business management and distribution, marketing and selling; to collect, prepare and distribute information and statistics relating to any type of business, industry or technology; and to promote or propose such methods, procedures and measures as may be considered appropriate.
- 3.6** To act as agents or managers in carrying on any business concerns and undertakings and to employ experts to investigate and examine the condition, management, prospects and value of any business or undertaking and generally of any assets, property or rights of any kind.
- 3.7** To acquire by purchase or in any other way, lease, let out, sublet, secure, possess, use, operate, trade in, secure or grant licences or rights for the use and operation of, install, supervise, maintain, renew, improve, exchange or replace computers, software programmes or other necessary, similar or related plant, equipment, services, rights, licences, means, tools or other things, rights or interests, including (without limitation to the generality of the foregoing) global information systems and electronic data interchange systems.
- 3.8** To acquire by purchase, gift or exchange or otherwise, possess and register in the name of the Company, manage, exchange, assign, lease, sub-lease, develop, equip, charge, mortgage, sell or otherwise dispose of movable or immovable property of any nature including lands, building sites, plots, buildings and any easements, privileges, shares, licences or other rights or interests in or over movable or immovable property.
- 3.9** To hold, possess, use, construct, improve, convert, extend, equip, furnish, administer, operate, manage immovable property, buildings, other installations, works, places or other structures and generally to develop, improve or manage property belonging to or in the possession, control or management of the Company.

- 3.10** To finance, lend or advance credit or other financial assistance, or to provide assistance or services for the securing of finance, lending or credit or other assistance, excluding any kind of banking business, to persons associated or dealing with the Company or to any other persons.
- 3.11** To help, aid and assist in all and every possible way, whether commercially, financially or otherwise, any company belonging to the same group of companies as the Company, or being managed and controlled by the same person or persons, including (without limitation) the Company's holding, parent, affiliated, associated or subsidiary company or companies; to co-operate, mutually assist, collaborate and/or participate in a joint venture in all fields of business, commercial, property, and/or economic enterprises with any company or companies belonging to the same group as the Company, and/or controlled by the same person or persons for the purpose of growing, and/or expanding its overall or particular activities.
- 3.12** To mortgage and/or charge the undertaking of the Company and all or part of the movable or immovable property, present or future, and all or part of the uncalled capital of the Company.
- 3.13** To guarantee the payment of any monies or the fulfilment or performance of any obligation or contract of any government, administrative body, legal or natural person, company or firm; to give and accept counter-guarantees, cross-guarantees and to give guarantees and indemnities in general to any person or company and to secure such guarantees and indemnities by mortgaging or charging the assets of the Company.
- 3.14** To mortgage and/or encumber the whole or part of its movable or immovable property by way of security and/or guarantee for a loan or any other facility, banking or otherwise, provided to the Company itself or to any third party (either natural or legal person), whether or not it has any connection with the Company.
- 3.15** To buy or otherwise acquire the whole or any part of the undertaking, property, assets and liabilities of any company, firm, body or person whose objects coincide in whole or in part with the objects or activities of the Company or any of them and to carry on, continue or liquidate any such undertaking.
- 3.16** To establish, acquire, manage, carry on, or assist or participate directly or indirectly in the establishment, acquisition, management or carrying on of any trade, work or business of any nature and to carry out any trade, work or business which may be profitably carried out by the Company in relation to, in conjunction with or as ancillary to, any other objects or activities or the general business of the Company.
- 3.17** To establish, set up, enter into, administer, operate or manage subsidiaries, representative offices, branches, agencies, sponsorships, or other arrangements in any part of the world.
- 3.18** To invest available monies of the Company in such investments as the Directors shall decide and in particular for that purpose to acquire by purchase or in any other manner, maintain, exchange, deal with shares, stocks, debentures or other securities or other interests or rights or other movable or immovable property.
- 3.19** To contract, obtain or grant loans, credits or other financial or credit facilities with or without security in such way as the Company may consider fit and to mortgage, pledge or charge its undertakings or any part thereof, assets, movable and immovable property, present or future, wherever situate, including the uncalled capital of the Company or any part thereof, to secure any loan or loans, facilities or other obligations of the Company or third parties and to issue bonds, promissory notes, debentures, bills, securities, floating debentures or debentures payable at such time and manner as the Company may think proper.
- 3.20** To accept mortgages, bonds, charges, debentures or other securities and to assign, transfer, alter, substitute or release same.
- 3.21** To sign, execute, endorse, transfer, negotiate and discount promissory notes, bonds, bills, bills of lading and other negotiable or transferable documents, instruments or titles or other mercantile documents and do any other similar transactions excluding banking business.
- 3.22** To establish, promote or participate in the establishment of any company in any country of the world and to acquire by subscription, purchase or otherwise and to accept, take, hold, exchange, sell or otherwise dispose of shares, stocks, debentures or other securities or interests in any company, body or undertaking.
- 3.23** To issue and allot fully or partly paid shares in the capital of the Company for the payment of any shares or other securities in any other company or any movable or immovable property or any other rights or interests purchased or otherwise acquired by the Company or for any service rendered to the Company and to pay in any other way for any property or service thus acquired or rendered.
- 3.24** To enter into any agreement or contract or arrangement and do any act with any State, Governmental, Municipal or other authority, body or organ or with any person as in the circumstances may be considered necessary or conducive to the attainment of the objects of the Company.
- 3.25** To amalgamate or enter into and carry into effect any contract or arrangement for a joint venture, partnership, union of interests, participation in profits, or co-operation with any person, legal or natural, in Cyprus or abroad, carrying on or interested in carrying on any business, work or activity which the Company may carry on, or which may in the opinion of the Directors be carried on in conjunction with the business of the Company or in a way serving directly or indirectly the objects of the Company.

- 3.26** To sell or otherwise alienate or dispose of, exchange, mortgage, charge, assign, transfer the undertaking of the Company or any part thereof for such consideration and under such terms as the Company may consider fit and in particular, but without prejudice to the aforesaid generality, in consideration of shares, debentures or other securities of any other company.
- 3.27** To distribute in specie among the Members any assets of the Company or the proceeds of sale or disposition thereof and in particular, but without prejudice to this generality, any shares, debentures or other securities of any other company owned or controlled by the Company or with which the Company may have entered into any contract or arrangement in relation to the takeover of the assets or business of the Company, or which the Company may have power to dispose.
- 3.28** To purchase or otherwise acquire any shares in the Company's share capital.
- 3.29** To amalgamate, merge, reorganise, restructure, reconstruct the Company or its capital and to take, enter into and perform any act, contract, compromise, arrangement or procedure which may be considered beneficial, useful or necessary for the Company or any of its objects.
- 3.30** To pay all costs, charges and expenses incurred or sustained in or about the promotion, formation and establishment of the Company or which the Company shall consider to be in the nature of preliminary expenses, including study, consultancy, printing and similar expenses.
- 3.31** To establish and maintain profit sharing schemes for any persons who are in the employment of the Company or in the employment of any other company which belongs to the same group of companies as the Company or persons who are Directors or officers of the Company or of any other company which belongs to the same group of companies as the Company.
- 3.32** To establish, participate, finance and maintain or contribute to the establishment and maintenance of any pension, provident or other fund by contributions or otherwise for the welfare or assistance of any persons which are or at any time have been in the employment of the Company or of any other company which belongs to the same group of companies as the Company or any person or persons who are or at any time have been Directors or officers of the Company or of any other company which belongs to the same group of companies as the Company or the spouses, widows, families or the dependants of any such persons and to pay or otherwise contribute to the granting to such persons of donations, bonuses, grants, contributions or other assistance.
- 3.33** To procure the Company to be registered or recognised in any country and to comply with any terms and conditions enabling the Company to carry on business and to establish in any such country any offices, branches, agencies or sponsorships in order to achieve the objects of the Company.
- 3.34** To pay subscriptions or contributions for charitable, benevolent or other useful purposes of a public nature, the support of which may in the opinion of the Company contribute in the enhancement of the goodwill of the Company or its relations with its employees, customers or the public in general.
- 3.35** To carry out any of the above objects, business, acts or works in any country or place and either by the Company acting in its name and for its own account or as agent, broker, contractor, trustee or otherwise and either alone or in conjunction with others and either directly or through agents, contractors, subcontractors, nominees or otherwise.
- 3.36** To adopt, acknowledge, ratify and perform any contract, act or transaction entered into or made for account or on behalf of the Company before incorporation with or without modifications as the Directors may think fit.
- 3.37** To undertake and carry out any other business, act or activity which in the opinion of the Directors may be carried out usefully, incidentally or in parallel with any other object or business of the Company or which may enhance directly or indirectly the value, usefulness or productivity of any of the business, work, assets or rights of the Company.
- 3.38** Generally to do all such other things as may appear to the Company to be useful, incidental or conducive to the attainment, directly or indirectly, of the above objects or any of them.

It is hereby declared that in interpreting this clause the powers conferred on the Company by any paragraph hereof shall not be limited or restricted in any way by reference to any other paragraphs or the name of the Company and each paragraph shall be interpreted independently as if each one of them contained the main object of the Company.

And it is further declared that where in this clause the word "company" does not refer to this Company, it shall be deemed to include any company or body corporate with limited liability or not or other legal person whether the same has its place of business in Cyprus or abroad and whether the same has been incorporated under the Laws of the Republic of Cyprus or of any other State. And the word "person" (unless the context expressly otherwise requires) shall be deemed to include a legal person.

4. LIABILITY

- 4.1** The liability of the Members is limited.

5. SHARE CAPITAL

- 5.1** The share capital of the Company is USD 1,800,000 divided into 180,000,000 shares of USD 0.01 each, with power of the Company to increase or reduce the same and with power to issue any of the shares in the capital, original or increased, with or subject to any preferential, special, restricted, defined or differed rights, privileges or terms as to dividend, repayment of capital, voting rights, surplus assets or otherwise, as well as with power to convert the currency of the share capital of the Company into any other currency within the framework of the reorganisation or restructuring in accordance with the Law.

ARTICLES OF ASSOCIATION
OF
SEABIRD EXPLORATION LIMITED
A PUBLIC COMPANY LIMITED BY SHARES

1. INTERPRETATION

In these Articles, if not inconsistent with the context, the words and expressions standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column thereof.

| | <u>Expression</u> | <u>Meaning</u> |
|------|--|---|
| 1.1 | "Affiliate" | With respect to any person, any other person controlling or controlled by or under common control with such specified person. For the purposes of this definition, "control", when used with respect to any specified person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing. |
| 1.2 | "Annual meeting of Shareholders" or "Annual meeting" | Any meeting of the Shareholders which is held each calendar year as the annual general meeting of the Company in accordance with the Law, with a gap of not more than 15 months between such meetings. |
| 1.3 | "Articles" | means the Articles of Association of the Company as herein set out or as may from time to time be altered or amended by Special Resolution of the Company. |
| 1.4 | "Auditors" | As defined in Regulation 23 of these Articles. |
| 1.5 | "Board" or "Board of Directors" | The Directors of the Company as a collective organ, as elected by the Shareholders by resolution according to these Articles. |
| 1.6 | "business partners" | means any person with a contractual relationship with the Company such as but not limited to a supplier, an agent or customer of the Company. |
| 1.7 | "Chairman of the Board" | has the meaning specified in Regulation 18. |
| 1.8 | "Cyprus" | means the Republic of Cyprus |
| 1.9 | "Disinterested Director" | Any member of the Board of Directors who is unaffiliated with the Interested Shareholder and in connection with his or her initial assumption of office is recommended for appointment or election by a majority of Disinterested Directors then on the Board of Directors. |
| 1.10 | "Distribution" | in relation to a distribution by the Company to a Shareholder means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder, or the incurring of a debt to or for the benefit of a Shareholder, in relation to Shares held by a Shareholder, and whether by means of the purchase of an asset, the purchase, redemption or other acquisition of Shares, a transfer of indebtedness or otherwise, and includes a dividend. |
| 1.11 | "Eligible Person" | Means individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons. |
| 1.12 | "Exchange" | Any securities exchange or other system on which the Shares of the Company may be listed or otherwise authorized for trading from time to time, |

including, without limitation, the Oslo Stock Exchange.

- 1.13 "Fair Market Value"** In the case of property, including shares, the presumed market value of such property on the date in question as determined by the Board of Directors in good faith.
- 1.14 "Extraordinary Meeting Shareholders" or "General Meeting" or "Extraordinary Meeting"** Any meeting of the Shareholders other than an annual general meeting
- 1.15 "Interested Shareholder"** Any person (other than the Company) and any holding company thereof who or which is the beneficial owner, directly or indirectly, of more than twenty-five per cent (25 %) of the voting power of the outstanding Shares of the Company.
- 1.16 "Meeting of Shareholders"** Any meeting of Shareholders including an Annual General Meeting or an Extraordinary Meeting.
- 1.17 "Memorandum"** means the Memorandum of Association of the Company.
- 1.18 "Oslo Stock Exchange" and "OSE"** The Oslo Stock Exchange, Norway.
- 1.19 "Registrar"** DnB Nor ("DnB Nor"), Verdipapirservice, or such other person or body corporate which may from time to time be appointed by the Board in place of DnB Nor, Verdipapirservice, as Transfer Registrar of the Company under these Articles of Association.
- 1.20 "Resolution of Directors"** means a resolution approved at a duly constituted meeting of Directors or of a committee of Directors of the Company, by affirmative vote of a majority of the Directors present at the meeting who voted and did not abstain except that in case of an equality of votes, the Chairman of the Board, shall have a second or casting vote; or a resolution consented to in writing by all the Directors or all the Members of the committee, as the case may be;
- 1.21 "Resolution of Shareholders" or "Ordinary Resolution"** means a resolution approved at a duly constituted meeting of the Shareholders of the Company by the affirmative vote of a simple majority of the votes of the share capital of the Members that were present at the meeting and entitled to vote thereon and did vote and did not abstain, or a majority of the votes of each class or series of Shares
- 1.22 "Special Resolution"** means a resolution passed by a majority of not less three fourths of the share capital of such Members as, being entitled so to do, vote in person or by proxy at a duly constituted meeting of the Company.
- 1.23 "Share"** means a share in the share capital of the Company
- 1.24 "the Law"** means the Companies Law, Cap. 113, of the statute Laws of the Republic of Cyprus as amended to date or any law substituting the same, and includes any future amending law.
- 1.25 "Shareholder" or "Member"** means a Shareholder or Member of the Company
- 1.26 "the Register"** means the Register of Members of the Company kept at the Company's registered office
- 1.27 "Transfer Registrar"** means DnB Nor, Verdipapirservice

2. VPS REGISTER

The Company shall also maintain on the VPS a register containing the names and addresses of all Eligible Persons who hold the beneficial interests in the Shares (the "**VPS Shareholders**"), the number of each class and series of Shares of which each VPS Shareholder holds the beneficial interest, the date on which the name of each VPS Shareholder and the date in which any Eligible Person ceased to be a VPS Shareholder.

3. SHARES

- 3.1** Subject to any Resolution of Shareholders, Shares and other Securities may be issued at such times, to such Eligible Persons, for such consideration and on such terms as the Directors by Resolution of Directors or the Shareholders by Ordinary Resolution may determine.
- 3.2** A Share may be issued for consideration in any form, including money, a promissory note, or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services.
- 3.3** No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:
- (a) the amount to be credited for the issue of the Shares;
 - (b) the determination of the Directors of the reasonable present cash value of the non-money consideration for the issue; and
 - (c) that, in the opinion of the directors, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.
- 3.4** The Company may not issue fractions of a Share.
- 3.5** Shares may be issued in one or more series of Shares as the Directors may by Resolution of Directors determine from time to time.
- 3.6** Subject to any special rights conferred on the holders of any existing shares or class of shares, each Share in the Company confers upon the Shareholder:
- (a) the right to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders;
 - (b) the right to an equal share in any dividend paid by the Company; and
 - (c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.
- 3.7** Any Share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by Ordinary Resolution determine.
- 3.8** If at any time Shares are divided into different classes, the rights attached to any class may only be varied, whether or not the Company is in liquidation, with the consent in writing of or by a resolution passed at a meeting by the holders of not less than 50% of the issued Shares in that class.
- 3.9** The rights conferred upon the holders of the Shares of any class shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

4. TRANSFER AND/OR TRANSMISSION OF SHARES

- 4.1** Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee which shall be sent to the Company for registration. All such transfer forms or instruments shall be retained by the Company.
- 4.2** The Company shall, on receipt of an instrument of transfer complying with the preceding sub-paragraph, enter the name of the transferee of a Share in the register of Shareholders. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and all such instruments of transfer shall be retained by the Company.
- 4.3** The transfer of a Share is effective when the name of the transferee is entered on the register of Members.
- 4.4** The registration of transfers may be suspended and the register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than five days in any year (or such longer period as the Shareholders may by ordinary resolution determine provided that such period shall not be extended beyond five days in any year).
- 4.5** Subject to such evidence being produced as may from time to time properly be required by the Directors, the legal personal representative of a deceased Shareholder shall be the only person recognized by the Company as having any title to his interest in the shares and may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

4.6 Any person, who acquires or becomes interested in or at any time has an interest in more than 50 per cent of the issued shares which have the right attached thereto to attend and vote at a general meeting of the Company, shall:

- (i) promptly notify the Oslo stock Exchange and the Company, and
- (ii) Make a mandatory offer for the purchase of the remaining Shares or Interest in such Shares in the Company on the terms, and subject to the conditions, of the Norwegian Securities Trading Act as if the Company was a Norwegian company.

In the event of any dispute as to whether identification of closely related persons according to the Norwegian Securities Trading Act shall be made, the Board shall have the power to settle the dispute, and shall inform the identified parties of its decision.

If a person fails to give notification of a change in his interest in Shares in accordance with this Regulation, and the board believes that such person has acquired or become interested in or at any time has an interest in Shares in circumstances in which he would be subject to the notification requirements, the Board shall require the Registrar to serve upon that person a notice:

- (i) requiring him to comply with the notification requirements in relation to the change in his interest in Shares; and
- (ii) informing him that, pending compliance with the notification requirements, the registered holder or holders of the Shares in which that person is interested shall not be entitled to vote or otherwise exercise any rights attaching to the shares to which the notice relates nor shall such registered holder or holders be entitled to receive payments of income or capital which become due or payable in respect of such shares. The registered holder's or holders' entitlement to vote and exercise such rights attaching to such shares and to such payments shall be suspended pending compliance with the notification requirements and the Company shall have no liability to such holder or holders arising for late payment or non-payment and the Company may retain such sums for its own use and benefit during such period of suspension.

If a person fails to give notification of a change in his interest in Shares in accordance with this Regulation, the Board shall require the Registrar to serve upon that person a notice in respect of those shares which give the person to whom the notice is addressed an interest in shares representing more than 50 per cent of the issued shares which have the right attached thereto to attend and vote at a general meeting of the Company:

- (i) requiring him to either sell shares or to make an offer in accordance with Chapter 4 of the Norwegian Securities Trading Act; and
- (ii) incorporating the information referred to in paragraph three (i) and (ii) above and the provisions of paragraph three (ii) shall apply to such shares.

If the notice served by the Registrar referred to in paragraph (4) of this Regulation 4.6 is not complied with within 30 days of the date of the service of such notice and the notice has not been withdrawn, the Directors in their capacity as attorney in fact for such person shall, so far as they are able, dispose of the shares or interests therein to which such notice relates at the best price reasonably obtainable under the circumstances and it shall give written notice of such proposed disposal (the "**Sale Notice**") to the Registrar who will forward a copy of same to the person or persons on whom such notice was served. Except as hereinafter provided, such a disposal shall be completed as soon as reasonably practicable after the giving of the Sale Notice under this paragraph as may in the opinion of the board be consistent with obtaining the best price reasonably obtainable and in any event within 30 days of the date of such Sale Notice. Where a Sale Notice has been served, the shares and any interest therein to which such notice refers may not be transferred otherwise than in accordance with this paragraph (6) and any purported transfer of such shares shall not be registered in the books of the Company and shall be null and void.

For the purposes of this regulation, any person who fails to comply with the notification by the Board irrevocably and severally appoints the Directors of the Company to be its attorney and to take any action which such person is obliged to take under this regulation and such person ratifies and confirms, and agrees to take any further steps necessary to ratify and confirm, whatever any attorney does or purports to do pursuant to its appointment under this regulation. For the purpose of effecting a disposal in accordance with paragraph (6) of this Regulation, the Board may authorise in writing any officer or employee of the Company to execute any necessary transfer on behalf of any holder. The net proceeds of such disposal shall be received by the Company, whose receipt shall be a good discharge for the purchase money, and shall be paid (without any interest being payable thereon) to the former holder in respect of the shares sold and formerly held by him.

5. FORFEITURE SHARES

- 5.1** Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note, other written obligation to contribute money or property or a contract for future services are deemed to be not fully paid.
- 5.2** A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.
- 5.3** The written notice of call referred to in Sub-Regulation 5.2 shall name a further date not earlier than the expiration of 14 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 contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

- 5.4 Where a written notice of call has been issued pursuant to Sub-Regulation 5.2 and the requirements of the notice have not been complied with, the Directors may by Resolution of the Board, at any time before tender of payment, forfeit the Shares to which the notice relates.
- 5.5 The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been forfeited pursuant to Sub-Regulation 5.4 and that Shareholder shall be discharged from any further obligation to the Company.

6. PURCHASE OF OWN SHARES AND TREASURY SHARES

- 6.1 Subject to the provisions of the Law, the Company may acquire, for valuable consideration, shares in its own Share capital if and in so far as the general meeting, by a Special Resolution requiring the approval of three fourths of the votes attached to the share capital represented at the general meeting, has authorised the Board to acquire such shares. The authorization may be given for no more than twelve months on each occasion, notwithstanding any other provisions.
- 6.2 The Company may, without being authorised thereto by the general meeting and notwithstanding to what is provided in the previous paragraph, acquire shares in its own share capital in order to transfer those shares to the employees of the Company or a group company under a scheme applicable to such employees.
- 6.3 In the general meeting no votes may be cast in respect of a Share held by the Company or a subsidiary company; no votes may be cast in respect of a Share the depositary receipt for which is held by the company or a subsidiary company. Shares in respect of which voting rights may not be exercised by law or by the articles of association shall not be taken into account, when determining to what extent the shareholders cast votes, to what extent they are present or represented or to what extent the share capital is provided or represented.
- 6.4 Upon the proposal of the Board, subject to the provisions of the Law, the general meeting may decide to cancel shares acquired by the company from its own share capital.
- 6.5 The Company may only offer to purchase, or otherwise acquire its Shares or the beneficial interests in its Shares if the Shareholders' Resolution authorising the purchase, or other acquisition contains a statement that the Shareholders are satisfied, on reasonable grounds, that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.
- 6.6 Subject to the other sub-paragraphs of this Regulation and subject always to the provisions of the Law, the Company may purchase beneficial interests in its Shares in the following circumstances:
- (a) the Shareholders by Special Resolution have approved the purchase of beneficial interests in its Shares; or
 - (b) the proposed purchases are made in open market transactions on an Exchange; or
 - (c) the proposed purchases may be effected from time to time, as authorised by the Shareholders by Ordinary Resolution, at a price per beneficial interest in a Share being no higher than the average of the closing prices of said Shares on an Exchange, for the five days on which said beneficial interests in the said Shares are traded immediately preceding any such purchase (the "**Average Market Price**"); or
 - (d) an offer is made by the Company to all Shareholders of the Company to purchase beneficial interests in a specified number of Shares from each Shareholder at a specified price/all tenders of beneficial interests in Shares made in response to such offer to be accepted pro rata in the event that more Shares are to be tendered than the Company has offered to purchase, except that all tenders of beneficial interests in 99 Shares or less may be accepted in full at the discretion of the Directors,

PROVIDED THAT in all cases, the Company shall not, purchase in aggregate beneficial interests in more than such number of Shares as shall result in the Company holding more than 10 per cent of the Company's issued share capital .

- 6.7 Subject to the provisions of the Law and these Articles, shares that the Company purchases or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares
- 6.8 All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.
- 6.9 Treasury Shares may be transferred by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and the Articles) as the Company may by Resolution of Directors determine.
- 6.10 Where Shares are held by another body corporate of which the Company holds, directly or indirectly, Shares having more than 50 per cent of the votes in the election of Directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

- 6.11** Persons or legal entities who individually, or by acting in concert, through direct or indirect acquisition, becomes the owner of more than 90 % of the beneficial interests in the Company's Shares, the Company may, subject to the provisions of the Law, resolve an acquisition of the remaining issued shares. A written offer for acquisition price, no lower than fair market value, shall then be submitted from the Company to the Registrar of the beneficial rights, with instructions to the Registrar to forward such offer to the respective holders. The Company may fix a period of no less than 14 days in which the holders of beneficial rights may raise objections to the offered price. If such objection is not received by the Registrar within the deadline, the holder of the beneficial interests shall be deemed to have accepted the offered price. The Company shall then instruct the Registrar to transfer the ownership of the beneficial interests, with settlement in accordance with the offered price.

If the respective holders raise objections to the price within the deadline, the price for acquisition shall be settled by an independent financial analyst nominated by the Company's auditors, or in the absence of such nomination, a financial analyst nominated by the independent Directors of the Board.

7. MORTGAGES AND CHARGES OF REGISTERED SHARES

- 7.1** Shareholders may pledge or charge their Shares.
- 7.2** There shall be entered in the register of Members upon receipt of notice from and at the written request of the chargee or pledgee a memorandum of the pledge in accordance with the Law or, in the case of a charge;
- (a) a statement that the Shares are charged;
 - (b) the name of the chargee; and
 - (c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of Members.
- 7.3** Where particulars of a charge or pledge are entered in the register of Members, such particulars may be cancelled:
- (a) with the written consent of the named chargee or pledgee or anyone authorised to act on his behalf; or
 - (b) upon evidence satisfactory to the Directors of the discharge of the liability secured by the charge or pledge and the issue of such indemnities as the Directors shall consider necessary or desirable.
- 7.4** Whilst a memorandum of charge or pledge of Shares exists in the register of Members pursuant to this Regulation:
- (a) no transfer of any Share the subject of those particulars shall be effected;
 - (b) the Company may not purchase, redeem or otherwise acquire any such Share; and
 - (c) no replacement certificate shall be issued in respect of such Shares, without the written consent of the named chargee or pledgee.

8. MEETINGS OF SHAREHOLDERS

- 8.1** The Directors of the Company may convene Meetings of Shareholders of Company at such times and in such manner and places within or outside Cyprus as the Directors consider necessary or desirable. The Directors shall convene and the Company shall in each calendar year hold at least one meeting of the Shareholders as its Annual General Meeting in that year and shall specify the meeting as such in the notices calling it. The Directors shall not permit more than 15 months to elapse between the date of one Annual General Meeting of the Company and the next. The Annual General Meeting shall be held at such time and place as the Board shall appoint, other than in Norway.
- 8.2** All Meetings of Shareholders other than the Annual General Meetings shall be called Extraordinary General Meetings.
- 8.3** Upon the written request of Shareholders holding not less than one tenth of the paid up share capital of the Company as at the date of the deposit carries the right of voting at general meetings the Directors shall convene an Extraordinary Meeting of Shareholders. Such requisition shall state the objects of the meeting and be signed by the requisitionists and deposited at the Company's registered office. The Directors shall in such case give notice of a Meeting of Shareholders in accordance with these Articles. If notice of a Meeting of Shareholders has already been given but the meeting not yet been held, the Board shall include the business mentioned in the request and give a new notice including such business, provided, in the sole discretion of the Board, that a new notice for the already scheduled meeting is deemed feasible. Otherwise, the scheduled meeting shall be convened and held in accordance with the notice given, and the Board shall give separate notice of a new General Meeting to consider the business mentioned in the request pursuant to these Articles.
- 8.4** An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meetings to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company;

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed in the meeting called, by all the Members entitled to attend and vote thereat.

8.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice, shall not invalidate the proceedings at that meeting.

8.6 Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in the foregoing Regulation 8.4, it shall be deemed to have been duly called if:

- (i) in the case of a meeting called as an annual general meeting, all the Shareholders of the Company entitled to attend and vote thereat agree to the shorter notice; and
- (ii) in the case of any other meeting of the Shareholders, the Shareholders holding not less than 95 percent in nominal value of the shares giving a right to attend and vote at the meeting, agree to shorter notice of the meeting,

and for this purposes of this Regulation, the presence of a Shareholder at the meeting shall constitute an agreement to shorter notice in relation to all the Shares which the Shareholder holds.

8.7 Subject to the specific provisions contained in this Regulation for the appointment of representatives of Eligible Persons other than individuals the right of any individual to speak for or represent a Shareholder shall be determined by the law of the jurisdiction where, and by the documents by which, the Eligible Person is constituted or derives its existence. In case of doubt, the Directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the Directors may rely and act upon such advice without incurring any liability to any Shareholder or the Company.

8.8 Any Eligible Person other than an individual which is a Shareholder may by resolution of its Directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Eligible Person which he represents as that Eligible Person could exercise if it were an individual.

8.9 A Shareholder who is entitled to more than one vote need not, if he votes, use all of his votes or cast all his votes he uses in the same way.

8.10 No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business; save as herein or in the Law otherwise provided, two Members, present in person or by proxy shall be a quorum.

8.11 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum.

8.12 The chairman, if any, of the Board of Directors shall preside as chairman at every general meeting of the Company, or if the Chairman shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the Directors present shall elect one of their number to be chairman of the meeting.

8.13 If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall elect one of their number to be chairman of the meeting.

8.14 If the chairman of the Board or the elected Director, as the case may be, has vested personal interest in any of the issues on the agenda of a particular general meeting, the general meeting may elect another person to be chairman of the meeting. Both the resolution to resolve on whether the chairman of the Board of Directors or the elected Director, as the case may be, must be deemed to have vested personal interest in any issue on the agenda of the relevant general meeting and the resolution to elect another person to be chairman of the general meeting must be resolved by the general meeting by a resolution requiring three fourths of the votes attached to the share capital represented at the general meeting.

8.15 At any general meeting any resolution put to the vote of the meeting shall be decided by a poll.

8.16 A poll shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting and shall be recorded in the minutes of the meeting.

8.17 Subject to any rights or restrictions for the time being attached to any shares, every Member shall have one vote for each share of which he is the holder.

8.18 Decisions of the general meeting require a simple majority of the votes unless otherwise is laid down in these Articles or the Law otherwise provides. Any change of provisions of these Articles or the Memorandum requires a Special Resolution requiring approval of three fourths of the votes attached to the share capital represented at the general meeting.

8.19 No Member shall be entitled to vote at any general meeting for any shares unless all sums presently payable by him in respect of such shares in the Company have been paid.

8.20 No objection shall be raised to the qualification of any voter except at the meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

8.21 A vote may be given either personally or by proxy.

9. RECORDS

9.1 The Company shall keep the following documents at its registered office:

- (a) the Memorandum and the Articles;
- (b) the register of Members;
- (c) the register of Directors and secretaries; and
- (d) copies of all notices and other documents filed by the Company with the Registrar of Companies.

9.2 The Company shall keep the following records at its registered office:

- (a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders;
- (b) minutes of meetings and Resolutions of Directors and committees of directors; and
- (c) an impression of the Seal.

10. PROXIES AND ADVISORS

10.1 Any Member of the Company entitled to vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to the Member to speak at the meeting. Forms of proxy shall be sent by the Company to each Shareholder together with the notice convening each Annual and General Meeting of the Company. A proxy need not be a Shareholder of the Company. A Shareholder is entitled to appoint more than one proxy to attend in his stead at any one General Meeting (or at any class meeting).

10.2 The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney authorised in writing, or if the appointor is a corporation, either under its Seal or under the hand of an officer, attorney or other person duly authorised to sign the same. The appointment of a proxy may be made by electronic transmission.

10.3 The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notorially certified copy of such power of authority, shall be delivered to the Company at its registered office for the attention of the Chairman at any time for the general meeting close (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid, provided always that the Chairman of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of electronic transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a Shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

10.4 Every instrument of proxy, whether for a specified meeting or otherwise, shall be in common form or such other form as the Board may from time to time approve, however, so that the Chairman may, at his sole discretion, choose to accept any other instrument of proxy that he deems acceptable.

10.5 The instrument appointing a proxy to vote at a General Meeting shall unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates

10.6 A vote given in accordance with the terms of an instrument of proxy or resolution of a Shareholder shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy or resolution of a Shareholder was executed or revocation of the relevant resolution or the transfer of the share in respect of which the proxy was given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its general office, or at such other place as is referred to in the notice, at least 24 hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

10.7 Any Shareholder of the Company entitled to meet and vote at a General Meeting of Shareholders shall be entitled to bring an advisor to the meeting, and such advisor shall be entitled to speak at the meeting.

11. TRANSACTIONS WITH INTERESTED SHAREHOLDERS

11.1 Except as otherwise provided by the Law or as otherwise expressly provided in these Articles, a Special Resolution shall be required to approve:

- (i) any merger or similar consolidation of the Company or any subsidiary with (i) any Interested Shareholder or (ii) any other company or other entity (whether or not itself an Interested Shareholder) which is, or after such merger or similar consolidation would be, an Interested Shareholder; or
- (ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Shareholder, or any Affiliate of any Interested Shareholder, of any assets of the Company or any subsidiary having an aggregate Fair Market Value equaling or exceeding US \$ 500,000.
- (iii) the issuance or transfer by the Company or any subsidiary (in one transaction or a series of transactions) to any Interested Shareholder or any Affiliate of any Interested Shareholder in exchange for cash, securities or other property (or a combination thereof), of any securities of the Company or any subsidiary having an aggregate Fair Market Value equaling or exceeding US \$ 500,000 except pursuant to an employee benefit plan of the Company or any subsidiary thereof; or pursuant to an offering of securities to all Shareholders of the Company on a pro rata basis; or
- (iv) the adoption of any plan or proposal for the liquidation or dissolution of the Company proposed by or on behalf of any Interested Shareholder or any affiliate of any Interested Shareholder; or
- (v) any reclassification of Securities of the Company (including any reverse share division), recapitalization of the Company, merger or consolidation of the Company with any of its subsidiaries or other transaction (whether or not with or into or otherwise involving an Interested Shareholder), which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding Shares of any class of equity or convertible Securities of the Company or any subsidiary which is directly or indirectly owned by an Interested Shareholder or any Affiliate of any Interested Shareholder (a "**Disproportionate Transaction**"); provided, however, that no such transaction shall be deemed a Disproportionate Transaction if the increase in the proportionate ownership of the Interested Shareholder or Affiliate as a result of such transaction is no greater than the increase experienced by the other Shareholders generally.

11.2 In relation to Regulation 11.1 above, a majority of the Disinterested Directors of the Company shall have the power and duty to determine for the purposes of these Articles, on the basis of information known to them after reasonable inquiry, (a) whether a person is an Interested Shareholder; (b) the number of Shares of which any person is the beneficial owner, and (c) whether a person is an Affiliate of another.

12. BOARD OF DIRECTORS

12.1 The management of the Company shall be exercised by a Board of Directors. The Company may from time to time by Ordinary Resolution requiring a simple majority vote decide to change the way in which the Company is managed and to increase or reduce the number of the Members of the Board.

12.2 The Board shall consist of not less than two (2) nor more than nine (9) persons as determined by the Shareholders. Directors are elected by the Shareholders of the Company as set forth in these Articles. No person shall be appointed as a director of the Company unless he has consented in writing to be a director.

12.3 Directors

- (a) At least 50% of the Directors shall be individuals who are neither executive officers of, nor employed by, nor employees or Directors of business partners of the Company.
- (b) Each director shall be elected for a term of two years or such shorter term as shall be specified in the Ordinary Resolution pursuant to which he shall be appointed.

12.4 Each director shall hold office until the expiration of his term and until his successor shall have been elected and qualified.

12.5 Subject to the provisions of the Law, the Company may by Ordinary Resolution of which special notice has been given in accordance with section 136 of the Law, at any time remove any director before the expiration of such director's term of office, and may by Ordinary Resolution elect another person in his place or as an additional director.

12.6 The Company shall keep a register of Directors containing:

- (a) the names and addresses of the persons who are Directors of the Company;
- (b) the date on which each person whose name is entered in the register was appointed as a director, of the Company;
- (c) the date on which each person named as a director ceased to be a director of the Company;
- (d) such other information as may be prescribed by the Law.

12.7 The register of Directors may be kept in any such form as the Directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

12.8 A Director need not hold any qualification Shares. No Director shall be required to leave office by reason only of his having attained any particular age.

13. ALTERNATE DIRECTORS FOR DIRECTORS

13.1 A director may at any time by notice in writing delivered to the Secretary of the Company or at a meeting of the Board, appoint any person, excluding another director, to be his alternate director in his place during his absence and may in like manner at any time determine such appointment.

13.2 A director may not be elected as an alternate director for another director.

13.3 An alternate director shall be entitled to receive and waive (in lieu of his appointor) notices of meetings of the Directors and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which the Directors appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of this appointor) were a director. To such extent as the Board may from time to time determine in relation to any committee of the board, the foregoing provisions of this Regulation shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a Member. An alternate director shall not, save as aforesaid, have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

13.4 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent as if he were a director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor.

14. REMUNERATION OF DIRECTORS

14.1 The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in General Meeting, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as determined in a General Meeting, or as they may agree, or failing agreement, equally, except that in such event any director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

14.2 The Board may grant special remuneration to any director, who shall perform any special or extra services at the request of the Company. Such special remuneration may be made payable to such director in addition to or in substitution for his ordinary remuneration as a director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed. Any and all such remuneration of Directors shall be specified in the annual accounts of the Company.

14.3 The Directors shall be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of travelling to and from Board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as directors.

15. DIRECTORS' INTERESTS

15.1 A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other Directors of the Company.

15.2 A Director's interest

(a) A director is deemed interested in a transaction if any person connected to a director is interested in the transaction.

(b) In relation to an alternate Director, the interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

15.3 For the purposes of Sub-Regulation 15.1, a disclosure to all other Directors to the effect that a director is a Member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry into the transaction or disclosure of the interest, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

15.4 A director of the Company who is interested in a transaction entered into or to be entered into by the Company:

(i) may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with the office of director and may act by himself or through his firm in a professional capacity for the Company

(otherwise than as Auditor) and in either such case on such terms as to remuneration (whether by way of salary, commission, participation in profits or otherwise) and otherwise as the Board may determine; any such remuneration shall be either in addition to or in lieu of any remuneration provided for, by or pursuant to any other Regulation;

- (ii) may be a party to, or otherwise interested in, any contract with the Company or in which the Company is otherwise interested;
- (iii) may be a director or other officer of, or employed by, or a party to any contract with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (iv) shall not, by reason of his office, be accountable to the Company for any remuneration or benefit which he derives from any such office or employment or from any such contract or from any interest in such body corporate and no such contract shall be liable to be avoided on the ground of any such interest or benefit.

15.5 A director who is interested in a transaction entered or to be entered into by the Company shall not

- (i) vote on a matter relating to the transaction,
- (ii) be counted in the quorum in relation to, any resolution of the board or of a committee of the Board concerning any matter in which he has a interest (other than his interest in Shares or debentures or other securities of, or otherwise in or through, the Company).

15.6 A director who is interested in a transaction entered or to be entered into by the Company shall be entitled to vote on and be counted in the quorum in respect of any resolution concerning any of the following matters:

- (i) the giving to him of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
- (ii) the giving by the Company of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (iii) his subscribing or agreeing to subscribe for, or purchasing or agreeing to purchase, any Shares, debentures or other securities of the Company or any of its subsidiary undertakings, or his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such Shares, debentures, or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange;
- (iv) any contract concerning the adoption, modification or operation of a superannuation fund, retirement, death or disability benefit scheme or personal pension scheme which relates both to Directors and employees of the Company or of any of its subsidiaries and which does not accord to any director as such any privilege or advantage not accorded to the employees or other Directors to which such fund or scheme relates;
- (v) any contract for the benefit of employees of the Company or any of its subsidiary undertakings under which he benefits in a similar manner as the employees and which does not accord to any Directors as such any privilege or advantage not accorded to the employees or other Directors to whom the contract relates. This Regulation shall be subject to the provisions of the Law.

16. OFFICERS AND AGENTS

16.1 The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.

16.2 The officers shall perform such duties as are prescribed by Law and at the time of their appointment subject to any modification in such duties (where this is permitted by the Law) as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of Directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of Members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

16.3 The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the Directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

16.4 The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the

company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these regulations) and for such period and subject to such conditions under these regulations) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

17. MANAGEMENT

- 17.1** The business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors of the Company. The Directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The Directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Law or by the Articles required to be exercised by the Shareholders.
- 17.2** Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Law. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company
- 17.3** The Directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.
- 17.4** All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

18. PROCEEDINGS OF DIRECTORS

- 18.1** The Directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside Cyprus as the Directors may determine to be necessary or desirable. A director is deemed to be present at a meeting of Directors if he participates by telephone or other electronic means and all Directors participating in the meeting are able to hear each other.
- 18.2** Any one director of the Company may call a meeting of the Directors by sending a written notice to each other director. A minimum three days' notice thereof shall be given to each director either writing or by electronic transmission at the address or telephone, facsimile or telex number from time to time notified to the Company by such director or in such other manner as the Board may from time to time determine, unless all Directors in advance of the meeting accept a shorter notice or a meeting of Directors held without 3 days' notice having been given to all Directors shall be valid if all the Directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.
- 18.3** The Chairman of the Board shall act as chairman of the meetings of the Board. If the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- 18.4** A meeting of Directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, unless there are only 2 Directors in which case the quorum is 2.
- 18.5** An action that may be taken by the Directors or a committee of Directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of Directors consented to in writing by all Directors or by all Members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.
- 18.6** The Directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.
- 18.7** The Directors have no power to delegate to a committee of Directors any of the following powers:
- (a) to designate committees of directors;
 - (b) to delegate powers to a committee of directors;
 - (c) to appoint or remove directors;
 - (d) to appoint or remove an agent;
 - (e) to approve a plan of merger, consolidation or arrangement;
 - (f) to make a declaration of solvency or to approve a liquidation plan; or
 - (g) to make a determination that immediately after a proposed Distribution the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

- 18.8** The meetings and proceedings of each committee of Directors consisting of 2 or more Directors shall be governed mutatis mutandis by the provisions of the Articles regulating the proceedings of Directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.
- 18.9** Where the Directors delegate their powers to a committee of Directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on Directors of the Company under the Law.
- 18.10** The Board shall cause minutes to be made of:
- (i) all appointments of officers made by the Board;
 - (ii) the names of the Directors present at each meeting of the Board and any of committees of the Board;
 - (iii) all declarations made or notices given by any Director of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and
 - (iv) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- 18.11** Any such minutes shall be signed by the Directors having participated save that minutes of a meeting of the Board or of a committee of the Board may be signed by the Chairman and Secretary thereof, and such signed minutes shall be considered conclusive evidence of any such proceeding.
- 18.12** The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below for the number fixed by or pursuant to these Articles as the necessary number of Directors, the continuing director or Directors may act for the purpose of increasing the number of Directors to that number by way of summoning a General Meeting of the Company but for no other purpose.

19. SECRETARY

- 19.1** A Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.
- 19.2** A provision of the Law or these Regulations requiring or authorizing a thing to be done by or to a Director and the Secretary shall not be satisfied by it being done by or to the same person acting both as director and as, or in place of, the Secretary or Assistant Secretary.

20. USE OF SEAL

The Company shall have a Seal. The Company may have more than one Seal for use in any territory outside Cyprus and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The Directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The Directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

21. DIVIDENDS

- 21.1** The Shareholders of the Company may, by Ordinary Resolution, following a proposal made by the Directors by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit only if the Directors by Resolution of Directors are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.
- 21.2** No dividend shall be paid otherwise than out of profits.
- 21.3** Dividends may be paid in money, Shares, or other property.
- 21.4** Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Sub-Regulation 26.1 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.
- 21.5** No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

22. ACCOUNTS

- 22.1** The Company shall keep proper books of account in accordance with the Law, that are sufficient to show and explain the Company's transactions and that will, at any time, give a true and fair view of the state of the Company's affairs.
- 22.2** The Board shall from time to time determine whether, to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the Shareholders (other than officers of the Company) and no Member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by statute or as authorized by the Board or by the Company in General Meeting.
- 22.3** The Board shall cause to be prepared and to be laid before the Shareholders of the Company at every Annual General Meeting a profit and loss account for the preceding financial year together with a balance sheet as of the last day of the preceding financial year and a Directors' report for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, and Auditors' report on such accounts all prepared in accordance with the provisions of the Law and such other reports and accounts as may be required by law, these Articles or the regulations of any Exchange.
- 22.4** Copies of those documents to be laid before the Shareholders of the Company at an Annual General Meeting shall not less than twenty one days before the date of the meeting be sent (electronically or otherwise) to every Member of the Company and every holder of debentures of the Company, provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware.

23. AUDIT

- 23.1** The Company shall have internationally recognised Auditors elected by the Company in General Meeting (hereinafter; the "**Auditors**").
- 23.2** The Auditors shall be independent of the Company, and no Director or other officer shall be eligible to be an Auditor of the Company during his continuance in office.
- 23.3** The Auditors shall be appointed by the general meeting and their duties regulated in accordance with sections 153 to 156 (both inclusive) of the Law.
- 23.4** The Auditor shall audit the profit and loss account and balance sheet of the Company in each year and shall prepare a report thereon to be annexed thereto. Such report shall be laid before the Company at its Annual General Meeting in each financial year and shall be open to inspections by any Member. The Auditors shall at the next annual general meeting following their appointment and at any other time during their term of office, upon request of the Board or any General Meeting of the Shareholders, make a report on the accounts of the Company in General Meeting during their tenure of office.
- 23.5** The Company shall at any Annual General Meeting appoint an Auditor or Auditors of the Company who shall hold office until the next Annual General Meeting. Subject to the provisions of the Law, the remuneration of the Auditors for the audit function shall be fixed by the Company at the Annual General Meeting at which they are appointed provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company.
- 23.6** Every statement of accounts audited by the Auditors and presented by the Board at an Annual General Meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of account amended in respect of the error shall be conclusive.
- 23.7** Every Auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the Directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the Auditors.
- 23.8** The Auditors of the Company shall be entitled to receive notice of, and to attend any Meetings of Shareholders of the Company.

24. NOTICES

- 24.1** Any notice, information or written statement to be given by the Company to Shareholders may be given by personal service, by facsimile or by mail addressed to each Shareholder at the address shown in the register of Members. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, at the expiration of 24 hours after the letter containing the same is posted, and in case of notice by facsimile or electronic mail, service shall be deemed to be effected at the time of dispatch subject to there being a transmission confirmation.

Notice of every general meeting shall be given in any manner herein before authorised to:

- (a) every Member of the Company;
- (b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member where the Member but for his death or bankruptcy would be entitled to receive notice of the meeting; and
- (c) the auditor for the time being of the Company.

No other person shall be entitled to receive notices of general meetings.

24.2 Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the company, at its registered office.

24.3 Service of any summons, notice, order document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process information or written statement was delivered to the registered office of the Company or that it was mailed in such time as to admit to its being delivered to the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

25. VOLUNTARY WINDING UP AND DISSOLUTION

Subject to the provisions of the Law, the Company may by Special Resolution appoint a voluntary liquidator.

26. INDEMNITY

Every Director, the auditor, Secretary, or other officer for the time being of the Company shall be indemnified out of the assets of the Company against any losses or liabilities which he may sustain or incur in or about the execution of his duties including liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 383 of the Law in which relief is granted to him by the Court and no Director or other such officer of the Company shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this clause shall only have effect in so far as its provisions are not avoided by section 197 of the Law.

27. FINANCIAL YEAR

The financial year of the Company shall end on 31st December in each year or as otherwise prescribed by the Board from time to time.

28. AMENDMENT OF MEMORANDUM AND ARTICLES

Subject to the provisions of the Law and these Articles, the Company may in General Meeting at any time and from time to time by Special Resolution alter or amend its Memorandum of Association and Articles of Association in whole or in part.

29. RECORD DATE

29.1 The Directors may fix the date that notice is given of the meeting or such other date as may be specified in the notice as the record date for determining of the Shareholders entitled to vote at a Meeting of Shareholders.

29.2 For the purposes of Regulation 29.1, the Directors of the Company may authorize that the VPS shall be closed three days prior to any Meeting of Shareholders. For the purposes of this Regulation, a "day" means any day upon which the banks in Oslo, Norway are open for business and excludes weekends, public holidays in Oslo, Norway or any day upon which the banks in Oslo, Norway are closed for business.

29.3 If the VPS is not closed and/or no record date is fixed for the Meeting of Shareholders, the date on which notice of the meeting is mailed shall be the record date for the Meeting of Shareholders.

29.4 Any Shareholder who becomes a Member of the Company through a transfer of shares after a record date for a Meeting of Shareholders shall be entitled to ask the Shareholder who sold the Shares for a proxy to attend the relevant meeting in order to vote the Shares in question. A Shareholder who has sold their Shares after a record date has been set for a meeting of Shareholders shall not refuse to give the Eligible Person who purchased their Shares a proxy if they so request.

30. CONTINUATION

The Company may by Special Resolution resolve to continue as a company incorporated under the laws of a country or jurisdiction outside Cyprus in the manner provided under those laws.