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15 FEB 2006



THE COMPANIES ACT 1995  
LIMITED LIABILITY COMPANY  
MEMORANDUM OF ASSOCIATION  
OF  
STERLING CHEMICAL MALTA LIMITED

1. Name

The name of the company is Sterling Chemical Malta Limited

2. Office

The registered office of the company will be situated at 48 Sqaq Nru 2, Triq ix-Xatt, Pieta' MSD 08, Malta.

3. Nature

The company is being constituted as a private limited liability company.

4. Objects

The objects for which the company is established are:-

- (a) To engage in the production, for export, of active pharmaceutical ingredients by means of chemical and physical processes, for use in the chemical and chemical-pharmaceutical industry.
- (b) To purchase and import all raw materials that may be required in connection with the company's business.

*[Handwritten signature]*

- (c) To purchase, take by title of emphyteusis, lease or exchange or otherwise acquire any immovable or movable property, and any rights or licences which the company may deem necessary or convenient for the purposes of its business.
- (d) To construct, improve and manage offices, stores or other buildings which may be required in connection with the company's business.
- (e) To borrow, or in any manner raise money, without any limit, for the purpose of or in connection with the company's business; to secure the repayment of any monies borrowed or any other obligations by giving hypothecary or other security upon the whole or part of the movable and immovable property of the company.
- (f) To sell, lease, hypothecate or otherwise dispose of the whole or any part of the property or assets of the company.
- (g) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with its business and calculated directly or indirectly to enhance the value of the company's property or rights.
- (h) Either with or without the company receiving any consideration or any benefit whatever, to guarantee, support or secure, whether by direct obligation, or by assigning or charging, mortgaging, hypothecating or charging all or any part of the undertaking, property, assets (present and future) and uncalled capital of the company, or by issuing any security of the company, or by any one or more of all such methods or by any other method, the performance of any obligations or commitments of any person, firm, company or corporation, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary company or holding company or which is otherwise directly or indirectly associated with the company in business or through shareholdings.
- (i) To do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the company.

The objects set forth in this clause shall not be restrictively construed but the widest interpretation shall be given thereto. None of the above described objects and powers shall be deemed subsidiary or ancillary to any other object or power mentioned therein.

The company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-clauses.

Nothing in the foregoing shall be construed as enabling or empowering the company to carry on any wholesale or retail trade in Malta, to compete with local tour operators, to import merchandise for re-sale locally in its imported state or to deal in real estate situated in Malta.

Nothing in the foregoing shall be construed as enabling or empowering the company to carry on any business or other activity which requires a licence or other authorisation under the Banking Act 1994, the Financial Institutions Act 1994 and the Investment Services Act 1994, the Insurance Business Act 1998 and the Insurance Brokers and other Intermediaries Act 1998, without a licence or other appropriate authorisation from the respective competent authority, to exercise investment discretions on behalf of another party, or manage or give advice relating to any investment portfolio belonging to another party or to buy, sell, hold, market, advertise, subscribe for, underwrite or otherwise handle any security or investment vehicle as agent or to act in the capacity of insurance agent or broker, or to be engaged in the business of banking, or to carry on the activities of a collective investment scheme, or to act as manager or custodian of such a scheme.

## **5. Capital**

The Authorised Share Capital of the company is USD3,500 divided into 3,500 shares of one United States Dollar (USD1) each.

The Issued Share Capital of the company is USD3,500 divided into 3,500 shares of one United States Dollar (USD1) each, fully paid up.

**6. Directors**

The administration and management of the company shall be vested in a Board of Directors consisting of not less than one and not more than three directors.

The director of the company is:-

<b>Full Name</b>	<b>Address</b>
Simone Ferlin Italian Passport number 009477W	Via De Boni 10 San Marino Di Corciano Perugia, Italy

**8. Company Secretary**

The company secretary is:-

<b>Full Name</b>	<b>Address</b>
Olga Urazova Italian identity card number AC822712	Via R Torelli 29 Perugia, Italy

**9. Legal and Judicial Representation**

The legal and judicial representation of the company shall be exercised by any one of the directors of the company.



10. **Subscribers**

We, the undersigned, hereby agree to form a limited liability company in terms of this Memorandum of Association, together with the attached Articles of Association, and we hereby agree to take up the number of shares indicated below against our respective names.

<b>Full Name and Addresses of Subscribers</b>	<b>Number of Shares taken up by Each Subscriber</b>
S.N.I.F.F. Italia Spa Via della Carboneria 30/32 Solomeo, Corciano Perugia, Italy	3,499 shares
Osiris Limited "Portico Building" Marina Street Pieta MSD 08 Malta C 16947	1 share

For and on behalf of  
S.N.I.F.F. Italia Spa

Stuart Blackburn - I.D No 437884(M)  
Director - For and on behalf of  
Osiris Limited

*This is a revised and updated copy of the company's Memorandum of Association*

  
Simone Ferlin - Director

02/02/2006  
Date



**THE COMPANIES ACT 1995**  
**LIMITED LIABILITY COMPANY**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**STERLING CHEMICAL MALTA LIMITED**

**Preliminary**

1. The Regulations contained in Part I of the First Schedule of the Companies Act 1995 (hereinafter referred to as the Act) shall apply to the company save so far as they are excluded or varied hereby.
2. The company is established as a Private Company and regulations 2 and 4 (but not regulations 1 and 3) of Part II of the First Schedule (hereinafter known as the First Schedule) shall apply to the company.

**Share Capital and Shares**

3. Any issue of shares in the company shall be allotted by an Extraordinary Resolution passed by the members of the company. The new shares shall first be offered to the existing shareholders in proportion to their respective holdings.
4. Nothing shall prevent the company from acquiring its own shares; provided that no shares so acquired by the company shall carry any voting rights.
5. Unless otherwise provided in the terms of issue, each share in the company shall give the right to one vote at the General Meeting of the company.
6. Regulation 1 of Part I of the First Schedule shall be read as if the word "extraordinary" were substituted for the word "ordinary".

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7. In accordance with the provisions of Section 122 of the Act, shares and other securities in the company may, by means of an instrument in writing entered into between the pledgor and the pledgee and forwarded to the company and to the Registrar of Companies within fourteen days from the date of signature thereof, be pledged by the holder thereof in favour of any person as security for any obligation.
8. Subject to the provisions of Section 115 of the Act and saving what may otherwise be provided for in the memorandum or articles of association, preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the company are liable, to be redeemed on such terms and in such manner as the company before the issue may by extraordinary resolution determine.

#### **Transfer and Transmission of Shares**

9. The right to transfer the shares in the company is restricted in the manner and to the extent prescribed in these Articles of Association, provided that in no case may a part of a share form the object of a transfer.
10. A share may only be transferred by a member of the company provided that the undermentioned procedure is followed:-
  - ( i) Any member who intends to transfer any shares (herein called the proposing transferor) shall give notice in writing (herein called the transfer notice) to the company that he desires to transfer the same. The transfer notice shall constitute the company his agent for the sale of the shares and shall not be revocable except with the sanction of the board of directors.
  - ( ii) The shares specified in the transfer notice shall be offered by the board of directors at their 'fair value' to all the other members of the company who shall be invited to state in writing, within thirty days from the date of the offer, whether they are willing to purchase any, and if the affirmative, what maximum number of shares. At the expiration of the said thirty days, the board of directors shall allocate the said shares to/or amongst the member or members who shall have expressed a willingness to purchase as aforesaid, and if more than one, so far as may be in proportion to the number of shares then held by each of them respectively. Provided that no member of the



company shall be obliged to take more than the maximum number of shares so notified by him as aforesaid.

- (iii) (a) For the purposes of this article, 'fair value' shall be the value assessed by the auditors of the company.
  - (b) In order to assess the 'fair value', the auditors shall consider the latest audited accounts provided these are not more than eighteen months old, and all other material and relevant developments which may have a bearing on the financial situation of the company.
  - (iv) In the event that not all the shares in the transfer are taken up by the existing members of the company, the proposing transferor may within three months of being notified of this, transfer the said shares to third parties at a price not less than their value above defined, unless all the other shareholders agree otherwise.
11. The procedures and restrictions defined in article 10 above shall not apply and the shares in question may be freely transferred in the following cases:-
- (i) where a member intends to transfer shares to his/her spouse or children;
  - (ii) where the proposed transfer of shares is approved in writing by all the other members;
  - (iii) any transfer by a corporate member to any holding company or subsidiary of such corporate member and any other subsidiary of any such holding company; or
  - (iv) any transfer by a corporate member to a company formed to acquire the whole or any substantial part of the undertaking and assets of such corporate member as part of a scheme of amalgamation or reconstruction.
12. The procedures and restrictions defined in article 10 above shall also apply "mutatis mutandis" in the case of transmission of shares 'causa mortis', except in the following two cases:-



- (i) where shares are being transmitted to the spouse or children of the deceased member;
- (ii) where the transmission is approved in writing by all the other members.

13. Regulations 13 and 14 of Part I of the First Schedule shall not apply to the company.


#### **General Meeting**

- 14. Every registered member of the company and the auditors for the time being of the company shall be entitled to receive notice of a General Meeting of the company and to attend at such a meeting.
- 15. No business shall be transacted at any General Meeting of the company unless a quorum is present at the time when the meeting proceeds to business. For all purposes the quorum shall consist of one or more members present in person or by proxy, holding in aggregate not less than fifty one per cent (51%) of the shares having voting rights in the company. Regulation 36 of the Part I of the First Schedule shall not apply to the company.
- 16. Regulation 37 of Part I of the First Schedule shall be read and construed as if the words "meeting shall be dissolved" are substituted for the words "members present shall be a quorum".
- 17. Votes at all General Meetings shall be taken by means of a poll on the basis of one vote for every share held. Regulation 41 of Part I of the First Schedule shall not apply. Votes may be given either personally or by proxy.
- 18. Whosoever enjoys the usufruct of any share shall be entitled to receive the notice of any shareholders' meetings, to attend and vote at such meetings and to be otherwise considered as being the registered member in respect of any such share or shares.
- 19. Regulation 48 of Part I of the First Schedule shall be read and construed as if the words "not less than twenty-four hours" wherever they occur, were omitted.



20. An Ordinary Resolution of the company in General Meeting shall be deemed to have been validly adopted if consented to by a member or members holding in aggregate not less than fifty one per cent (51%) of the issued shares having voting rights.
21. An Extraordinary Resolution of the company shall be deemed to have been validly adopted if consented to by a member or members holding in aggregate not less than fifty one per cent (51%) of the issued shares having voting rights.
22. A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or by their duly appointed proxies) shall be valid and effective for all purposes as if the same had been convened and held. Such a resolution may be signed by the members on one of more copies of the same resolution. Resolutions may be circulated and signed in facsimile provided that the resolution bearing original signatures, whether on one or more copy thereof, shall reach the registered office of the company within fourteen days from the date of the relative resolution.

#### **Directors**

23. A director shall hold office until such time as he dies, resigns or is removed from office by the shareholders.
  24. The directors may hold such meetings, adjourn or otherwise regulate their meetings as they think fit.
  25. The quorum at board meetings shall consist of a simple majority of the number of directors constituting the board of directors, except in the case where the company has a sole director.
  26. All decisions at meetings of the Board of Directors shall be taken with the consent of a simple majority of those directors present at the meeting/s in which such decisions are taken, except in the case where the company has a sole director.
  27. The board of directors shall have the power to transact all business of whatsoever nature not expressly reserved by the Memorandum and Articles of Association of the company or by any provisions in any law for the time being in force to be exercised by the company in General Meeting.
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28. In the event of incapacity, absence or inability to attend a board meeting, a director may appoint a substitute or alternate director to attend and vote on his behalf and to exercise all the powers pertaining to a director. Such appointment shall be in writing.
29. A resolution in writing signed by all the directors of the company (or by their duly appointed alternates) shall be valid and effective for all purposes as if it had been passed at a meeting of the directors duly convened and held. Such a resolution may be signed by the members on one of more copies of the same resolution. Resolutions may be circulated and signed in facsimile provided that the resolution bearing original signatures, whether on one or more copy thereof, shall reach the registered office of the company within fourteen days from the date of the relative resolution.
30. No director shall be disqualified by his position as director from entering into any contract or arrangement with the company and the director may vote and be taken into account for the purpose of constituting a quorum in respect of any contract or arrangement in which he may in any way be interested and may retain for his own use and benefit from all profits and advantages accruing therefrom to him. A director may hold any other places of profit under the company (other than that of the auditor) on such terms and remunerations as the board of directors may determine.
31. Regulations 54 and 57 to 63 inclusive of Part I of the First Schedule shall not apply to the company and any reference to retirement by rotation shall be disregarded.

#### **Company Secretary**

32. The company secretary shall hold office until such time as he resigns or is removed from office by the board of directors or the shareholders.

#### **Borrowing Powers**

33. The borrowing powers of the company shall be unlimited and shall be exercised by the board of directors.

#### **Representation of the Company**

34. Deeds of whatsoever nature engaging the company and all other documents purporting to bind the company as well as cheques, bills of exchange, promissory notes and other negotiable instruments shall be signed and executed on behalf of the company as laid down in clause 8 of the Memorandum of Association, or, without prejudice to the provisions of clause 8, by such person or persons as may be appointed in terms of Regulation 53 of the First Schedule.
35. Representation of the company in judicial proceedings shall vest in the person or persons indicated in clause 8 of the Memorandum of Association, or, without prejudice to the provisions of the said clause 8 of the Memorandum of Association, by such person or persons as may be appointed in terms of Regulation 53 of the First Schedule

#### **Notice**

36. (i) Any notice shall be served (a) by ordinary post, in which case it shall be deemed to have been served seven days following that on which it was posted and in proving such service it shall be sufficient to prove that the notice was properly addressed and posted; (b) by telefax, in which case it shall be deemed to have been served at the time indicated in the transmission report as the time when the notice is reported to have been successfully faxed and in proving such service it shall be sufficient to prove that the notice was properly addressed and faxed to the last known telefax number of the addressee; or (c) by electronic mail, in which case it shall be deemed to have been served at the time indicated in a return message to the sender stating that the electronic mail message containing the notice was delivered to or read by the addressee and in proving such service it shall be sufficient to prove that the notice was properly addressed and sent by electronic mail to the last known electronic mail address of the addressee. Regulations 81 and 82 of Part I of the First Schedule shall not apply to this company.

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- (ii) (a) Fourteen (14) days notice shall be given to shareholders in respect of every shareholders' general meeting.
- (b) Seven (7) days notice shall be given to directors in respect of any board meeting.
- (c) Any of the above stipulated notice periods may be waived or reduced by the unanimous consent of the members or of the directors, as the case may be.

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For and on behalf of  
S.N.I.F.F. Italia Spa

\_\_\_\_\_  
Stuart Blackburn - I.D No 437884(M)  
Director - For and on behalf  
Osiris Limited

*This is a revised and updated copy of the company's Articles of Association*

  
\_\_\_\_\_  
Simone Ferlin - Director

07/02/2006  
\_\_\_\_\_  
Date



