

REGISTRY OF COMPANIES  
CASH DATE  
16 MAR 2007  
Chq. No. 238  
Validity subject to Bank Clearance

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6 MAR 2007

MEMORANDUM OF ASSOCIATION OF  
PAL SHIPPING TRADER ONE CO. LTD.

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**NAME**

1. The name of the Company is **Pal Shipping Trader One Co. Ltd.**, or such other name as the shareholders of the Company may from time to time determine.
2. The Company is established as a single member private company for the purposes of the Merchant Shipping Act – Chapter 234 of the Laws of Malta.
  - a) the right to transfer shares is restricted and regulated in the manner hereinafter prescribed;
  - b) the number of members of the Company is limited to not more than fifty (50); provided that where two (2) or more persons hold one (1) or more shares in the Company jointly they shall, for the purpose of this provision, be treated as a single member;
  - c) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited;
  - d) any offer to public, whether for cash or otherwise, any shares in or debentures of the company is prohibited;
  - e) any allotment or agreement to allot, whether for cash or otherwise, any shares in or debentures of the company with a view to all or any of those shares or debentures being offered for sale to the public is prohibited ;
  - f) the company shall not have the power to issue share warrants to bearer.
3. The company is a Shipping Organisation in terms of the Merchant Shipping Act 1973.

**REGISTERED OFFICE**

4. The registered office of the Company is situated at Level 12, Portomaso Business Tower, St. Julians, Malta or at such other place in Malta as the directors of the Company may from time to time determine.

**OBJECTS AND POWERS**

5. The objects for which the Company is established are:

- (a) to own, operate whether under charter or otherwise, administer and manage a ship or ships registered as a Maltese ship in terms of the Merchant Shipping Act – Chapter 234 of the Laws of Malta and to carry on all ancillary financial, security and commercial activities in connection therewith, which shall be the main activity of the Company in terms of article 14 of Legal Notice 223 of 2004 issued under the Merchant Shipping Act – Chapter 234 of the Laws of Malta;
- (b) to own, operate whether under charter or otherwise, administer and manage a ship or ships registered under the flag of another state and the carrying on of all ancillary financial, security and commercial activities in connection therewith;
- (c) to hold shares or other equity interest of whatever nature in entities, whether Maltese or otherwise, established for the purposes stated in the foregoing objects (a) and (b), and the carrying on of all ancillary financial, security and commercial activities in connection therewith.

In relation to the objects as specified above, the Company shall have the following powers:

- (a) To raise capital through loans, the issue of guarantees or the issue of securities by the company when the purpose of such activity is to achieve the foregoing objects as specified in (a), (b) and (c).
- (b) To raise capital through loans, the issue of guarantees or the issue of securities by the company when the purpose of such activity is to achieve the foregoing objects as specified in (a), (b) and (c) for any other shipping organisation, that is a shipping organisation within the same group of companies.
- (c) To buy or acquire on any title, sell, operate, manage, hire, charter on a bareboat or on a fully equipped basis or exchange ships, yachts, boats and any other vessel.
- (d) To register ships, yachts, boats and any other vessel in any registry and under any flag as the Directors of the Company deem fit and to do all things as may be considered necessary conducive or ancillary to effecting such registration.
- (e) To obtain loans, overdrafts, credits and other financial and monetary facilities for the purpose of purchasing, selling, chartering, hiring and generally operating ships and to provide by way of security for the repayment of the principal and interest thereon, and the fulfilment of any obligations, a hypothec, privilege, lien and/or mortgage over the assets and/or sea-craft of the Company.

- (f) To guarantee and/or undertake the repayment of, and/or obtain loans, overdrafts, credits and other financial and monetary facilities for the purpose of repaying or assisting in repaying, the indebtedness of any person, corporation or firm of any kind although not in furtherance of its corporate purpose and to secure such guarantee and/or undertaking by a mortgage, charge, hypothecation, pledge or the creation of a security, interest in the company's vessels, sea-craft, and/or any part of the corporate assets or property or an interest therein wherever situated.
- (g) To do all other things as may be considered conducive or ancillary to the fulfillment of the foregoing objects or any of them and in particular to buy, sell, charter, own and otherwise operate any vessels registered under the Maltese Merchant Shipping Act 1973.
- (h) Nothing in the foregoing shall be construed as enabling the Company to carry on any wholesale or retail trade in Malta or to compete with local tour operators or as empowering the Company to deal in real estate business.

## **CAPITAL**

6. (1) The authorised share capital of the Company is one thousand five hundred and seventy five United States Dollars (USD 1575) divided into five hundred and twenty five (525) Ordinary Shares of a nominal value of three United States Dollar (USD 3) each.

(2) The issued share capital of the Company is one thousand five hundred and seventy five United States Dollars (USD 1575) divided into five hundred and twenty five (525) ordinary shares of three United States Dollar (USD3) each. Each of the issued shares is fully paid up.

## **SUBSCRIBERS**

7. The subscriber of the issued share capital as specified above is the following:

<p><b>PAL TRADER HOLDING COMPANY LIMITED</b> Level 12, <b>Portomaso Business Tower</b> <b>St. Julians, Malta</b> <b>Registration number: C 39098</b></p>	<p>525 Ordinary Shares of three United States Dollars (USD 3) each fully paid up.</p>
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## **LIABILITY OF MEMBERS**

8. The liability of members is limited, in the case of each member, to the amount, if any, unpaid on the shares which he holds in the Company.

## **DIRECTORS**

9. The management and administration of the Company shall be entrusted to a Board of Directors which shall consist of not less than one (1) and not more than (5) directors.

The Board of Directors of the Company, shall have the power to, by virtue of a resolution thereof, amend the objects and powers of the company so as to facilitate the carrying on of the business of the company as a shipping organisation as specified above.

The first Director of the Company shall be:

**Mr. Mubariz Mansimov**  
**Ebulula Cad. Maya Siteleri No. 1,**  
**L-Blok, Akatlar 34335**  
**Istanbul, Turkey**  
**Azerbaijan Passport no.: P 1011651**

## **REPRESENTATION**

10. Any one director shall have the judicial representation of the Company and any one director shall be entitled to enter into any agreement, whether by public deed or by private writing, or instrument on behalf of the Company, and to sign and execute any document on behalf of the Company, including any loan agreement, bill of sale, deed of covenant, mortgage form and other related documents in connection with the raising or taking of loans for the purchase and operation of the Company's Ships.

For the purposes of the foregoing 'Company's Ships', shall include every vessel of whatever description used in navigation, whether self propelled or not, and it includes barges, pontoons and oil rigs and other similar vessels, but not including vessels propelled by oars, and shall include a ship under construction as specified and subject to the terms of the Merchant Shipping Act 1973.

11. The **Judicial Representation** of the Company shall be vested in:

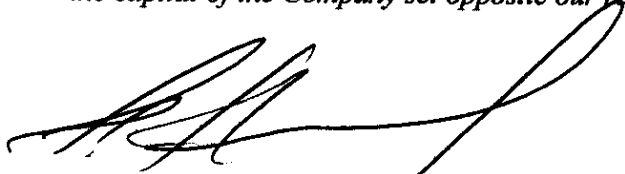
**Mr. Mubariz Mansimov**  
**Ebulula Cad. Maya Siteleri No. 1,**  
**L-Blok, Akatlar 34335**  
**Istanbul, Turkey**  
**Azerbaijan Passport no.: P 1011651**

## **SPECIAL ATTORNEYS**

12. Without prejudice to the rights and powers conferred upon the Board of Directors in terms of law or by virtue of any of the provisions contained in the foregoing clauses, Dr. Ivan Vella LL.M., LL.D. and/or Ms. Nigar Aliyeva and/or Ms. Joanne Spiteri and/or Mr. Mark Hili all of Palmali Shipmanagement Ltd., of Level 12, Portomaso Business Tower, St. Julians, Malta and/or any other person duly appointed, are hereby jointly and severally authorized and empowered to act on behalf of the Company for the purposes of registering, whether provisionally and/or permanently, any boat, ship, vessel or other seacraft, under the Malta Flag and but without prejudice to the foregoing, to pay all fees relative to such registration, to make any declarations that may be necessary on behalf of the Company, to apply to any competent authority on behalf of the said Company for any exemption, license or permit, to open bank accounts on behalf of the company and to sign the relative bank mandates, to sign, execute and deliver all such acts, deeds or documents which may be necessary for the filing, notification or registration of any notices regarding any changes or alterations to the Memorandum & Articles of the Company and/ or any changes among the directors and/or shareholders of the Company, and to take all such steps, do all such things, sign, execute and deliver all such acts, deeds or documents as may be necessary or conducive for the better fulfillment of all or any of the powers conferred above.

Furthermore, the said Attorneys are jointly and severally empowered to sign, execute and deliver any act, deed or document and generally to do or perform any act, deed or thing which may be necessary or conducive to effect the deletion from the Maltese Registry of Shipping of the Company's Maltese registered vessel/s and accordingly to obtain insurance of the relative Certificate of Closure and/or Closed Transcript/s of Registry in terms of Law.

13. *We the several persons whose names and addresses are subscribed are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectively agree to take the number and class of shares in the capital of the Company set opposite our respective names.*



**Ms. Nigar Aliyeva**  
**(Republic of Azerbaijan Passport No. P 2214458)**  
**for and on behalf of**  
**PAL TRADER HOLDING**  
**COMPANY LIMITED**  
**Level 12, Portomaso Business Tower**  
**St. Julians, Malta**

**ARTICLES OF ASSOCIATION OF  
PAL SHIPPING TRADER ONE CO. LTD.**

The Regulations contained in Parts I and II of the First Schedule (such Schedule being hereinafter called "the First Schedule") of the Merchant Shipping (Shipping Organisations – Private Companies) Regulations 2004 – Legal Notice 223 of 2004 issued under the Merchant Shipping Act 1973 (hereinafter referred to as "the Regulations") shall apply to the Company save in so far as they are excluded or varied hereby. Regulation 33 of the First Schedule shall not apply.

**1. TRANSFER AND TRANSMISSION OF SHARES**

- (a) 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.
- (b) Before transferring or requiring the Company to register a transfer of any shares, the person, whether a member of the Company or not, proposing to transfer the same (hereinafter called "the retiring member") shall give notice in writing (hereinafter called "the transfer notice") to the Company that he desires to transfer same, and the transfer notice shall constitute the Company his agent for the sale of the shares therein mentioned at the prescribed price (as defined in the sub-article immediately following) to any member of the Company or to any person admitted by the Directors as one whom it is in their opinion desirable in the interests of the Company to admit to membership.
- (c) The 'prescribed price' is the price per share specified by the retiring member in the transfer notice. However, if the proposed transferee requires the fair value to be fixed by the Company, then such price as is fixed by the Company's auditors shall be the prescribed price.

Where the transfer notice does not specify any sum per share as the fair value of the shares included therein the prescribed price of the shares to be purchased shall be the fair value of such shares; this fair value may be agreed to between the proposing transferor and the intending purchaser or failing such agreement such fair value shall be fixed and certified by the auditors for the time being of the Company on the application of either party, and the decision of the auditors shall be final. Such decision shall be taken within such time as the parties or the Board of Directors shall establish.

- (d) Without undue delay after receipt of the transfer notice, the Directors shall inform the other members of the number of shares proposed to be transferred and the prescribed price and the name of the proposed purchaser/s, and shall invite each of them to state in writing within twenty-eight (28) days of receipt of such information whether they are willing to acquire any of such shares and, in the affirmative, what

maximum number.

- (e) At the expiration of such period, the Directors shall allocate such shares to or among the members who had accepted the offer, and if more than one, pro-rata as nearly as may be to the respective maximum number indicated in their application without allocating to any member shares in excess of the maximum number indicated in his application.
- (f) Should any shares included in the transfer notice still not have been acquired after the procedures laid down in this article have been carried out, the Directors shall without undue delay give notice to this effect to the retiring member, who may offer such shares to non-members named in the transfer notice at a price which shall not, however, be inferior to the prescribed price.
- (g) Shares are transferable on death of the shareholders under terms of law and if there is more than one heir the company may insist that the relative heirs appoint one person to represent their interests in the company and in this case, such a person shall be considered as the lawful shareholder of the said shares he represents; and until this is done they shall not be represented individually as shareholders and shall not enjoy the rights competent to other shareholders, but the shares shall still be considered as appertaining to the estate of the deceased; which estate shall for the intents and purposes of law be considered as the sole shareholder.

## **2. PROCEEDINGS AT GENERAL MEETINGS**

- (a) 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.
- (b) Two members present in person or by proxy and representing not less than fifty-one percent (51%) of the total voting rights on a poll of all the members having the right to vote at the meeting shall be a quorum. In the event that there is not the required number of persons present, then the meeting can still be held after one hour of the proposed appointed time of the meeting and the member or members then present shall form a quorum. For the purposes of this section a proxy may be given by facsimile.
- (c) Each share shall entitle the holder to one vote.
- (d) A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at the general meetings shall be as valid and effective as if the same had been passed at a general meeting of the company duly convened and held.

### **3. BORROWING POWERS**

The Directors may from time to time borrow or raise any sum or sums of money upon any terms as to interest or otherwise as they may deem fit, and for the purpose of securing the same and interest, or for any other purpose, grant any mortgage or hypothec on any of the assets of the Company and/or create and issue any perpetual or redeemable debentures or debenture stock or charge on the undertaking or the whole or any part of the property, present or future; and any debentures, debenture stock and other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawing, allotments of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

### **4. PLEDGING OF SECURITIES**

The members may enter into any agreement relating to the pledging of their shares or the creation of any rights in connection with the said shares for any reason they may deem fit and with such third parties as they deem appropriate.

The holders of other securities issued by the company may enter into any agreement relating to the pledging of their securities or the creation of any rights in connection with the said shares for any reason they may deem fit and with such third parties as they deem appropriate.

Upon the company being notified of such pledge agreement, the company shall register that fact in its register of members or debenture holder and the company shall recognize all rights thereby granted to any third parties and shall act according to and consistently with the terms of such agreement in all matters.

In so far as and to the extent that such pledge vests third parties with rights pertaining to the shares or debentures normally exercisable by the members or debenture holders as the case may be, such rights shall be exercisable by third parties as though they were the members or debenture holders of the company to the exclusion of the registered member or members or registered holder of securities.

### **5. PROXIES**

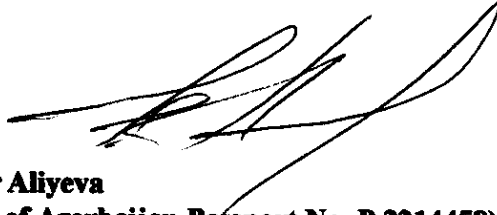
Proxies may be given by means of a facsimile and the person so appointed shall enjoy all the rights of the person issuing such proxy, provided the veracity of the source of the facsimile is confirmed and accepted by the other members or directors.

### **6. NOTICE**

Any notice must be served by registered post and shall be deemed to have been served on the day immediately following that on which it was posted and in proving such service it shall be sufficient to prove that the notice was addressed properly and posted.

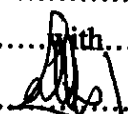


Every registered member for the time being of the Company shall be entitled to receive the notice of general meeting.



**Ms. Nigar Aliyeva**  
**(Republic of Azerbaijan Passport No. P 2214458)**  
**for and on behalf of**  
**PAL TRADER HOLDING**  
**COMPANY LIMITED**  
**Level 12, Portomaso Business Tower**  
**St. Julians, Malta**

This...<sup>16</sup>...day of...<sup>3</sup>...20.<sup>07</sup>  
filed by *J. Spiteri*...with...<sup>1</sup>...doc/s.

  
f/Registrar of Companies  
JEAN KARL PORTELLI

**POWER OF ATTORNEY**

Pal Trader Holding Company Limited, having registered office at Level 12, Portomaso Business Tower, St. Julians, Malta

as SHAREHOLDER OF:

Name of Company: **Pal Shipping Trader One Co. Ltd.** and Mr. Mubariz Mansimov as Director of the said **Pal Shipping Trader One Co. Ltd.** hereinafter referred to as "THE COMPANY" hereby nominate Dr. Ivan Vella and/or Ms. Nigar Aliyeva and/or Ms. Joanne Spiteri and/or Mr. Mark Hili all of Palmali Shipmanagement Ltd., of Level 12, Portomaso Business Tower, St. Julians, Malta, as Special Attorneys for and on behalf of the Company jointly or severally and empower him, her or them to do any of the following:

A. To subscribe for 525 shares:

500 shares to Pal Trader Holding Company Limited

in the Company which it is proposed to register in Malta and to complete, sign and perform the instrument of incorporation of the Company and any other documents which are related to or ancillary thereto.

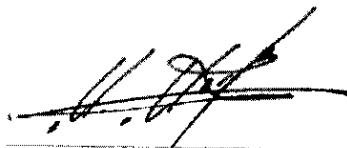
B. To sign, seal and deliver the annual returns of the Company and to register the same with the Registrar of Partnerships.

C. To sign, seal and deliver any form or document advising any change in Shareholders, Directorships or any change in the Memorandum and Articles of Association of the Company.

D. To do all that is necessary in order to attain the above.

AND we hereby undertake to notify anything and everything that is done by our said Attorney in accordance with the terms of the Power of Attorney and accept that our Attorney shall not in anyway be personally liable or responsible for any act done in pursuance of the Power of Attorney.

This document is a SPECIAL POWER OF ATTORNEY and shall only be revoked by a Board Resolution duly notified to the Registrar of Companies in MALTA.



Mr. Mubariz Mansimov  
For and on behalf of  
Pal Trader Holding Company Limited