

**AGREEMENT DATED THE 17<sup>TH</sup> JULY 2025**

**BETWEEN**

**EQUINOX INTERNATIONAL LIMITED**

**AND**

**ACMUS PLC**

**AND**

**ACMUS PROPERTIES LIMITED**

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**Security Trust Deed**

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**THIS TRUST DEED is effective as of the 17<sup>TH</sup> JULY 2025**

BETWEEN

- (1) **ACMUS P.L.C.**, a public limited liability company registered under the laws of Malta, bearing company registration number C 111213, and having its registered address at Hyatt Centric Malta, Triq Santu Wistin, San Giljan, SWQ 3312, Malta (hereinafter referred to as the “**Issuer**”);
- (2) **ACMUS PROPERTIES LIMITED**, a private limited liability company duly registered and validly existing under the laws of Malta with company registration number C 111221 and having its registered office at Hyatt Centric Malta, Triq Santu Wistin, San Giljan SWQ 3312, Malta (hereinafter referred to as the “**Guarantor**”); and
- (3) **EQUINOX INTERNATIONAL LIMITED** a private limited liability company duly registered and validly existing under the laws of Malta with company registration number C 29674 and having its registered office at Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta and authorised to act as a trustee in accordance with the Trusts and Trustees Act (hereinafter referred to as the “**Trustee**” which expression shall include any other person appointed as trustee under this Trust Deed).

(Each a “**Party**” and together, collectively the “**Parties**”)

**WHEREAS** the Issuer, by resolution of its board of directors dated 8<sup>th</sup> July 2025, authorised the issue of the Secured Bonds (as defined below) under the terms and conditions set out in the Base Prospectus (as defined below) and by resolution of its board of directors dated 8<sup>th</sup> July 2025, determined to constitute and secure the same in the manner hereinafter appearing.

**WHEREAS** the Guarantor wishes to constitute the Collateral (as defined below) in favour of the Trustee for the benefit of Bondholders (as defined below).

**WHEREAS** the Guarantor has entered into the Guarantee (as defined below) for the benefit of Bondholders (as defined below).

Now therefore it is AGREED AND DECLARED as follows:

- (1) The Issuer HEREBY APPOINTS the Trustee, and the Trustee hereby agrees to act with effect from the date hereof as security trustee of the Trust Property (as defined below) in accordance with this Trust Deed and applicable law for the benefit of the Bondholders (as defined below) until its appointment shall be terminated in accordance with the provisions of this Trust Deed.

- (2) (i) Each of the Issuer and the Guarantor undertakes and binds themselves to grant to the Trustee the Collateral (as defined below); and (ii) the Guarantor further undertakes and binds itself to grant the Guarantee, in the manner and at the times and under the conditions stated in this Trust Deed and the Trustee accepts this undertaking and declares a trust thereon for the benefit of all the Beneficiaries (as defined below); The Trustee agrees and undertakes to receive the Collateral (as defined below) on trust for the benefit of all the Beneficiaries in accordance with this Trust Deed .
- (3) That Security Trustee shall receive the Bond Proceeds on trust and shall release the said Bond Proceeds in accordance with the terms of this Trust Deed.
- (4) The Trustee acknowledges and agrees that it is not itself a creditor of the Issuer under the Secured Bonds (as defined below) and that the creditors of the Issuer shall be the Bondholders (as defined below), from time to time whose names and other details shall be entered in and maintained by the CSD (as defined below), and who shall be recognized as the only beneficiaries under this trust.

## Interpretation

- (1) In this Trust Deed the following words shall, unless the context otherwise requires, have the meanings assigned to them hereunder:

<b>Act</b>	the Companies Act (Cap. 386 of the laws of Malta);
<b>Authorised Financial Intermediaries</b>	shall have the meaning assigned to it in the Base Prospectus;
<b>Beneficiaries or Bondholders</b>	means a holder of the Secured Bonds whose name and other details are registered from time to time in the Register of Bondholders to be maintained at the CSD;
<b>Bond Issue</b>	means the issue of the Secured Bonds in accordance with the Programme;
<b>Bond Proceeds</b>	the proceeds from the Bond Issue;
<b>Bondholders' Meeting</b>	means a meeting of Bondholders convened and participated at in accordance with clause 16 of this Trust Deed;
<b>Civil Code</b>	means the Civil Code (Cap. 16 of the laws of Malta);
<b>Collateral or Security Interests</b>	means the Special Privileges, the Hypothecs and the Pledge Agreement;



<b>Contractor</b>	means the contractor engaged by the Guarantor for the construction and development of a New Development;
<b>CSD</b>	means the Central Securities Depository of the Malta Stock Exchange;
<b>Early Redemption Date(s)</b>	has the meaning assigned to such term in the Base Prospectus;
<b>Directors or Board</b>	means the directors of the Issuer whose names are set out under the heading “ <b>Directors, Senior Management, Advisors and Auditors</b> ” in the Prospectus;
<b>Encumbrances</b>	means any security interest or encumbrance including but not limited to a hypothec, privilege, charge or mortgage;
<b>Euro or €</b>	means the lawful currency of the Republic of Malta;
<b>Final Terms</b>	the final terms issued by the Issuer from time to time in the form set out in this Base Prospectus;
<b>Group</b>	means the Issuer and its direct or indirect subsidiaries;
<b>Guarantee</b>	means the joint and several guarantee of the Guarantor in the form of Schedule C attached hereto;
<b>Hypothecs</b>	means: <ul style="list-style-type: none"> <li>i. a first-ranking general hypothec by the Issuer in favour of the Security Trustee, its respective assets present and future for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon;</li> <li>ii. a first-ranking general hypothec by the Guarantor in favour of the Security Trustee, over its assets present and future for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon; and</li> <li>iii. a first-ranking special hypothec by the Guarantor in favour of the Security Trustee for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon over each of the New Sites purchased by the Guarantor and which are funded by a tranche of Secured Bonds.</li> </ul>

<b>Collateral Deed</b>	means a deed in the acts of a notary public whereby the Issuer and, or the Guarantor shall constitute the Hypothecs and the Special Privilege, in favour of the Trustee;
<b>Interest Payment Date</b>	the date/s specified in the applicable Final Terms for when interest on the relevant Tranche falls due;
<b>Malta Stock Exchange or MSE</b>	means the Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Chapter 345 of the laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
<b>MFSA</b>	means the Malta Financial Services Authority, established in terms of the Financial Markets Act (Chapter 345 of the laws of Malta) as the competent authority to approve prospectuses of any offer of securities to the public in Malta;
<b>New Development</b>	has the meaning assigned to it in the Base Prospectus;
<b>Pledge Agreement or Pledge</b>	means the pledge agreement to be entered into by and between the Issuer, the Guarantor, and the Trustee for the purpose of creating a pledge on Insurance Policies in the form attached hereto as Schedule E;
<b>Programme</b>	the secured bond programme being made by the Issuer pursuant to the Base Prospectus;
<b>Base Prospectus</b>	the Base Prospectus in respect of the issue of a maximum of €23,000,000 dated on or around the date of this Trust Deed;
<b>Redemption Date</b>	has the meaning assigned to such term in the Base Prospectus;
<b>Register of Bondholders</b>	means the register to be maintained by the CSD, with the name and other details about Bondholders;
<b>Reserve Account</b>	means the account held by the Trustee as provided in clause 5 of this Trust Deed;
<b>Secured Bonds</b>	the secured bonds to be issued by the Issuer in terms of the Programme;
<b>Secured Property</b>	means a New Site (and all constructions to be developed thereon) over which the Guarantor registers a Special Privilege and a first-ranking special hypothec in favour of the Security

	Trustee for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon;
<b>Shareholder Loans</b>	loan advancements by the shareholders of the Issuer to the Issuer and/or the Guarantor;
<b>Special Privilege</b>	a first-ranking special privilege in terms of Article 2010(1)(c) of the Civil Code over a New Site securing an amount equivalent to the funds disbursed by the Security Trustee to the vendor(s) for the purposes of funding the acquisition price of the respective New Site;;
<b>Sponsor</b>	M.Z. Investment Services Limited, a private limited liability company registered in Malta, with company number C 23936 and having its registered office at 63. MZ House, St. Rita Street, Rabat, RBT 1523, Malta;
<b>Tranche</b>	a tranche of Secured Bonds which may from time to time be issued by the Issuer, in accordance with the provisions of the Base Prospectus and the applicable Final Terms;
<b>Trust Property</b>	means the Guarantee, the Collateral and any amounts received by the Trustee from the sale proceeds of the residential units and garages forming part of a New Development and which are properly to be credited to the Reserve Account in accordance with the provisions of this Trust Deed as well as any other property in which the Trust Property may be converted;
<b>Trusts and Trustees Act</b>	Trusts and Trustees Act (Cap. 331 of the laws of Malta);
<b>Unit</b>	means a residential unit or garage forming part of a New Development; and
<b>Valuation Report</b>	the valuation report/s in respect of the New Developments incorporated by reference in the Base Prospectus.

## 1. Appointment of Trustee

- (1) The Issuer HEREBY APPOINTS the Trustee, and the Trustee hereby agrees to act with effect from the date hereof as security trustee of the Trust Property in accordance with this Trust Deed and the applicable law for the benefit of the Bondholders until its appointment shall be terminated in accordance with the provisions of this Trust Deed.



- (2) Each of the Issuer and the Guarantor undertakes and binds itself to grant to the Trustee the Collateral and the Guarantor further undertakes and binds itself to grant the Guarantee, in the manner and at the times and under the conditions stated in this Trust Deed and the Trustee accepts this undertaking and declares a trust thereon for the benefit of all the Beneficiaries; The Trustee agrees and undertakes to receive the Collateral and the Guarantee on trust for the benefit of all the Beneficiaries in accordance with this Trust Deed.
- (3) The Trustee acknowledges and agrees that it is not itself a creditor of the Issuer under the Secured Bonds and that the creditors of the Issuer shall be the Bondholders, from time to time and who shall be recognized as the only beneficiaries under this trust.

## **2. Declaration of Trust**

- (1) SUBJECT to the provisions of this Trust Deed and the applicable law:
  - (a) The Trust Property shall be held by the Trustee on trust for the Beneficiaries in accordance with the provisions of this Trust Deed.
  - (b) Upon receipt of the Bond Proceeds by the Security Trustee, the Bond Proceeds will be held by the Security Trustee on trust for the Bondholders *pari passu* according to the rights and interests held by each Bondholder in the Secured Bonds as evidenced in the Register of Bondholders until such Bond Proceeds are released to the Issuer in terms of this Trust Deed.
  - (c) The Trustee shall make additional declarations of trust whenever additional property is received under this trust and such declarations of trust shall be on the same terms as stated herein and shall form an integral part hereof.
  - (d) This trust is being constituted as a security trust in terms of article 2095E of the Civil Code and is to be known as the “Acumus Group Trust”.
- (2) The terms and conditions of this Trust Deed shall be binding on each Beneficiary as if it had been a party hereto and as if this Trust Deed contained covenants on the part of each Beneficiary to observe and be bound by all the provisions hereof, and the Security Trustee is hereby authorised and required to do the things required of it by this Trust Deed.
- (3) The Parties agree that, in terms of and for the purposes of the Trusts and Trustees Act, this Acumus Group Trust shall be treated as being constituted in the context of a commercial transaction. Pursuant to the provisions of article 21(7) of the Trusts and Trustees Act, each Party agrees that the duties, liabilities, obligations and responsibilities incumbent upon the Security Trustee shall be limited to those expressly specified in this Trust Deed.

## **3. Issue Clauses and Security – the Secured Bonds**

- (1) The Secured Bonds creating and acknowledging the indebtedness of the Issuer to the Bondholder shall be issued directly by the Issuer to subscribers of the Secured Bonds

pursuant to the provisions of the Base Prospectus and shall accordingly create a direct contractual relationship between the Issuer and each Bondholder.

- (2) The Trustee shall, notwithstanding that it is not a Bondholder, be entitled to be registered as the holder of the Collateral for the benefit of the Bondholders in accordance with the provisions of this Trust Deed and article 2095E of the Civil Code.
- (3) The Trustee shall have the power and legal interest to file any legal proceedings for the enforcement of the Collateral notwithstanding that under the terms of this Deed the Trustee is not the creditor of the principal debt or obligation arising from or acknowledged by the Secured Bonds.
- (4) The Bond Proceeds shall be held by the Trustee and not released until the admission to trading of the Secured Bonds on the Official List of the MSE.
- (5) The Security Trustee shall release the Bond Proceeds of a Tranche of Secured Bonds as follows:
  - (a) an amount equivalent to the sales commissions of the Bond Issue of the respective Tranche shall be released and paid to Authorised Financial Intermediaries in accordance with the instructions of the Sponsor.
  - (b) An amount equal to the fees owed to the Sponsor, Trustee, and the Issuer's advisors for their roles in the Bond Issue shall be released and paid to the recipients named in the invoices submitted by the Sponsor to the Security Trustee.
  - (c) When the Bond Proceeds are to be used to pay all or part of the purchase price of a New Site (and any associated costs and expenses), the Security Trustee shall release the Bond Proceeds from that Tranche to the recipients specified by the notary public on the deed of sale pertaining to the New Site .
  - (d) When the Bond Proceeds are to be used to pay all or part of the development and/or completion costs of a New Site, the Security Trustee shall release the Bond Proceeds from that Tranche to the Guarantor in a corresponding value contained in an architect's confirmation of value of works..
- (6) The Security Trustee shall not release the Bond Proceeds if the following circumstances subsist:
  - (a) if, prior to the release of the Bond Proceeds referenced in Clause 3(5) of this Trust Deed, it is not satisfied that all existing Encumbrances on the New Site will be discharged either before or at the same time as the Bond Proceeds are released on the deed of sale in respect of the acquisition of the New Site; and



(b) it is not satisfied that the Collateral will be duly constituted in its favour in accordance with Clause 23 of this Trust Deed.

- (7) The Trustee shall retain the sum of €50,000 for the purpose of having a necessary reserve that may be required to meet expenses that may be incurred by the Trustee in the performance of its duties under this Deed and in particular to enforce the Collateral under this Deed.
- (8) All payments to be made by the Trustee to the Issuer shall be made to the Issuer's account notified in writing to the Issuer.
- (9) Every holder of Secured Bonds whose application shall have been accepted and who shall be allocated Secured Bonds; or who shall subsequently purchase and acquire a Secured Bond shall be entitled to be entered in the Register of Bondholders and shall thereupon become a Beneficiary under this trust.
- (10) An entry of any person in the Register of Bondholders shall conclusively establish such person's beneficial interest in the Trust Property and the extent of his interest in the Collateral which shall be calculated on the number of Secured Bonds held as a percentage of the total value of the Secured Bonds outstanding from time to time.
- (11) The beneficial interest of a Bondholder in the Trust Property shall terminate upon such time as a Bondholder is no longer registered in the Register of Bondholders maintained by the CSD, or upon the redemption of the principal amount of the Secured Bonds and payment of all interests thereunder, as the case may be.
- (12) The Issuer hereby agrees to provide the Security Trustee a copy of the Register of Bondholders upon request, as well as full access to the Register of Bondholders thereby providing the Security Trustee with full and unrestricted information in respect thereof.
- (13) The execution of this Trust Deed by the Security Trustee and the publication thereof on the Issuer's website shall constitute notice to each of the Bondholders of the security to be created in their favour.

#### **4. Redemption & Interest Payments**

- (1) The Issuer hereby irrevocably covenants in favour of the Security Trustee, for the benefit of the Beneficiaries that:
  - (a) The Secured Bonds shall be redeemed at par (together with interest accrued to the date fixed for redemption) on the Redemption Date or an Early Redemption Date, unless they shall have been previously re-purchased and cancelled by the Issuer; and

- (b) until the whole of the Secured Bonds shall have been repaid or otherwise redeemed and fully discharged, the Issuer shall pay to the Bondholders interest on the principal amount for the time being outstanding on the Secured Bonds at the rate per annum set out in the Base Prospectus.
- (2) The Trustee shall, from the proceeds received from the sale of Units, create, and maintain the Reserve Account in accordance with the terms and conditions of clause 5 of this Trust Deed.
- (3) The Issuer shall be discharged from any payment obligations under this clause 4 and the Secured Bonds upon payment made to Bondholders gross of any amount to be deducted or withheld for or on account of any present or future taxes, duties, assessments, or other government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malta or authority thereof or therein having power to tax.

**5. The Reserve Account.**

- (1) The Trustee shall from the sale of each Unit receive the amounts set out in clause 9(3) of this Trust Deed and shall retain such amounts in the Reserve Account which shall be held by the Trustee on trust for the benefit of the Beneficiaries.
- (2) The Trustee shall not waive, cancel, or reduce the hypothecary rights it holds over any Unit unless it receives the amount computed in accordance with the provisions of clause 9(3) of this Trust Deed.
- (3) The Reserve Account shall be utilized for meeting the redemption of the Secured Bonds upon redemption and interest payments on the Secured Bonds or to buy back the Secured Bonds (regardless of the Tranche of Secured Bonds) on the secondary market. On the Redemption Date, or an Early Redemption Date apply the funds in the Reserve Account for the payment to Bondholders of the redemption amount due on the Secured Bonds held by them.
- (4) Nothing in the foregoing shall be construed as placing the Trustee under any obligation to redeem the Secured Bonds itself or to effect any payment to the Beneficiaries in excess of the amounts standing to the credit of the Reserve Account; or to release the Issuer from its obligation to pay the Secured Bonds on the dates fixed for their respective redemptions. The Trustee shall only be obliged to apply the funds held in the Reserve Account to the redemption proceeds, provided that any shortfall from the amount required for redemption and the amount held in the Reserve Account, shall be paid by the Issuer.
- (5) During the term of the Secured Bonds the Trustee shall be empowered to manage the Reserve Account and invest the amounts standing to the credit of the Reserve Account in its discretion, subject to the following restrictions:

- (a) Any amount out of the Reserve Account may be held on deposit with a bank licensed as a credit institution in Malta or any Member State of the European Union, provided that not more than fifty per cent (50%) of any amount standing to the credit of the Reserve Account, from time to time, shall be deposited with the same institution if the amount of the deposit exceeds the sum of €25,000,000;
  - (b) Any amount out of the Reserve Account may be invested in debt securities issued by or guaranteed by the Government of Malta or other member state of the European Union or the EEA;
  - (c) An amount of up to fifty per cent (50%) of the amount outstanding in Secured Bonds may be invested in debt securities admitted to listing and trading on a regulated market in the European Union, provided that not more than €2 million may be exposed to one or more debt securities issued by the same issuer; and provided that such investment will not expose the Reserve Account to any currency exchange risk; and
  - (d) An amount not exceeding €2 million may be advanced to any member of the Group, under terms and conditions which are at arm's length, provided that the Reserve Account remains in credit by least another €2 million following such advance.
- (6) The Trustee may engage any person or partnership as investment advisor to advise it on the investment of all or any part of the amount standing to the credit of the Reserve Account and it may, without being liable for any consequential loss, delegate to such investment advisor the power to manage or invest any part or all of the credit standing to the Reserve Account on such terms as the Trustee thinks fit, subject to the provisions of clause 5(5) above.
- (7) In its management of the Reserve Account pursuant to clauses 5(5) and 5(6) above, the Trustee may accumulate all income to the Reserve Account as capital and reinvest it as it deems fit and shall be entitled to hold such accumulations as an addition to capital.

## **6. Covenants by the Issuer**

- (1) The Issuer covenants to the Trustee, for the benefit of the Beneficiaries, that at all times during the continuance of any amounts outstanding under the Secured Bonds:
  - (a) the Issuer shall pay to the Bondholders interest as set out in the Prospectus and in clause 4 of this Trust Deed;
  - (b) the Issuer shall redeem the Secured Bonds at their nominal value on the Redemption Date or a Designated Early Redemption Date as set out in the Prospectus and in clause 4 of this Trust Deed;



(c) the Issuer shall maintain its corporate existence as a company duly authorized and existing and in good standing under Maltese law;

(d) the Issuer shall promptly notify the Trustee, upon the happening of any Event of Default as set out in clause 12(1) of this Trust Deed;

(e) The Issuer shall to do all such acts as it may consider necessary or desirable, or as may be reasonably required by the Trustee, to ensure that during the period when the Secured Bonds are outstanding and until their redemption in full, the Security Interests shall rank with priority over all other claims of the Issuer, and in the event of a third party claim or any circumstances in which the Trustee's right, title and interest of the Security Interests is or may be prejudiced, the Issuer shall defend the Trustee's right, title and interest in the Security Interests;

(f) the Issuer shall and shall procure that the Guarantor shall construct and develop each New Development by diligently selecting and engaging contractors of the required skills for projects of that nature and shall diligently monitor and supervise the construction and development works on each New Development;

(g) the Issuer shall and shall procure that the Guarantor shall maintain and keep in proper order, repair and condition such parts of the Secured Property as are of a repairable nature and the Trustee shall have the power, but shall not be obliged so to do, in the event of any such part of the Secured Property being or becoming out of proper order repair or condition to call upon the Issuer to effect such repairs within a reasonable time as may be specified in the notice. If the Issuer fails to undertake the repairs requested by the Trustee in the notice after the lapse of the time granted to it by the Trustee in the notice, the Trustee may, but shall not be bound to do so, call a meeting of Bondholders for the purpose of determining what action, if any, should be taken in the circumstances; PROVIDED THAT if requested to do so in writing by not less than seventy-five per cent (75%) in nominal value of the Secured Bonds then outstanding, the Trustee shall, provided it is indemnified by the Bondholders or the Issuer to the satisfaction of the Trustee, have the power itself to engage such persons as may be necessary to repair or to put and maintain the same in proper order repair and condition and any expenses incurred by the Trustee and its costs and charges therein shall be a debt due from the Issuer payable on demand;

(h) the Issuer shall insure and keep insured to the satisfaction of the Trustee and to the full replacement value thereof all such parts of the Secured Property as are of an insurable nature against loss or damage by fire, explosion, lightning, storm, tempest, flood (where appropriate) aircraft and things dropped therefrom and such other risks as in accordance with sound commercial practice are normally insured against by companies carrying on a similar business with one or more insurance companies licensed to transact insurance business in Malta or such other insurance company agreed to by the Trustee and shall procure that the interest of the Trustee as is duly noted on the policies of insurance and shall produce the policies of such insurance to the Trustee if required and duly pay or cause

to be paid the premia and other sums of money payable in respect of such insurance and if required produce to the Trustee the receipt for the same within fifteen (15) days of the same becoming due. All monies received by virtue of any such insurance shall so far as they are in respect of part of the Secured Property be deemed part of the Secured Property and shall be paid to the Trustee and shall be applied in making good the loss or damage in respect of which the monies were received or in such other manner as the Trustee shall approve. For this purpose, the Issuer shall immediately enter into the Pledge Agreement and shall constitute a pledge over any insurance policy in force by virtue of this clause 6(1) (i) in favour of the Trustee;

(i) the Issuer shall duly and punctually pay, perform and observe all rents, rates, taxes, stamp duties, covenants and other obligations whatsoever which ought properly to be paid or to be observed or performed by the Issuer in respect of any part of the Secured Property;

(j) the Issuer shall permit the Trustee or any person or persons authorised by it at any time and from time to time during the usual times of business so long as any money shall remain due upon the Secured Bonds, as the case may be, and the security of this Trust Deed to inspect and examine any part of the Secured Property and will afford the Trustee and its agent access to the Secured Property and render them such assistance as may be required for any of the purposes aforesaid; PROVIDED THAT the aforementioned inspection may only be made by the Trustee after having notified the Issuer in writing of its intention and provided further that the aforementioned inspection is made during reasonable business hours PROVIDED FURTHER THAT the Trustee shall not be obliged to carry out or authorize the inspection of the Secured Property pursuant to this clause 6(1)(k);

(k) the Issuer shall keep proper books of account which shall at all reasonable times be open to inspection by the Trustee or any person appointed by the Trustee for that purpose and will furnish to the Trustee or any such agent all such information relating to the business or affairs of the Issuer as they shall require in accordance with International Accounting Standards and will deliver to the Trustee at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified by the auditors of the Issuer and copies of the auditors' and directors' reports thereon together with copies of any other documents required by law to be attached thereto. The Trustee may but shall not be required or bound to carry out any independent audit or other verification of any books of account, balance sheet, profit and loss account, certificates or other information furnished to it by the Issuer nor shall the Trustee be bound to review, inspect or verify any information furnished to the Trustee in accordance with this clause 6(1)(l);

(l) the Issuer shall carry on and conduct its business in a proper and efficient manner;

(m) the Issuer shall forthwith on receipt of the same, deliver to the Trustee all orders, directions, notices and any other thing whatsoever affecting or likely to adversely affect the Secured Property but shall be entitled at its own expense to take a copy thereof;



(n) the Issuer shall comply with all the requirements of all applicable laws in force in Malta from time to time, including but not limited to the Environment and Development Planning Act (Chapter 504 of the laws of Malta) so far as such requirements relate to the Secured Property and its development or any part thereof and will promptly produce to the Trustee any notice, order, direction, requisition, permission or other document served on it in connection with such law which affects or is likely to affect the Secured Property or any part thereof;

(o) The Issuer covenants and undertakes to punctually perform all its obligations under the Secured Bonds, including the repayment of principal and interest thereon by forthwith entering into the Collateral Deeds and the Pledge Agreement in accordance with the provisions of this Deed. The Secured Bonds shall constitute the general, direct, unconditional and secured obligations of the Issuer;

(p) The Issuer covenants and undertakes that all Shareholder Loans shall be expressly subordinated in all respects to the prior payment and satisfaction of all obligations of the Issuer in respect of the Secured Bonds until they are fully and finally discharged.

(q) The Issuer undertakes in favour of the Trustee, that for as long as any principal or interest under the Secured Bonds or any indebtedness under the Secured Bonds remains outstanding, not to create or permit to subsist any claim, charge, lien, encumbrance, hypothec, privilege or security interest other than the Collateral arising by law (excluding the privilege of contractors and workmen arising from the provisions of article 2010 of the Civil Code), upon the whole or any part of its present or future assets or revenues to secure any Financial Indebtedness (as defined below) of the Issuer. Provided that the Issuer may create Financial Indebtedness secured over assets of the Issuer but not with seniority over the Collateral, provided that the Trustee grants its consent.

For the purposes of this clause 6 and of clause 12 entitled “**Default, Acceleration and Enforcement**” below:

“**Financial Indebtedness**” means any indebtedness in respect of (A) monies borrowed; (B) any debenture, bond, note, loan stock or other security; (C) any acceptance credit; (D) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset; (E) leases entered into primarily as a method of raising finance or financing the acquisition of the asset leased; (F) amounts raised under any other transaction having the commercial effect of borrowing or raising of money; and (G) any guarantee, indemnity or similar assurance against financial loss of any person;

(r) The Issuer shall not constitute any encumbrances over its assets during the Interim Collateral Period without the prior written consent of the Security Trustee.

(s) The Issuer shall neither create nor allow to subsist any further encumbrances over the Secured Property save for the provisions of paragraph (q) above, nor shall the Issuer transfer ownership and, or any other real right over the Secured Property under any title whatsoever, without the consent of the Trustee. For the avoidance of doubt, a transfer of control of the Issuer shall be deemed to constitute a transfer of the Secured Property under this paragraph. For the purposes of this paragraph a transfer of control shall include, but without prejudice to the generality of the foregoing shall not be limited to: (i) the transfer of voting shares in the Issuer which amounts to a transfer of fifty per cent (50%) plus one share of the total shareholding having voting rights in the Issuer; (ii) the transfer in any manner of the ability to appoint a majority of the Directors; and (iii) the transfer to any person of the ability to determine the financial and operational decision making power of the Issuer. For the avoidance of doubt, a transfer of control in the Issuer arising as a result of a series of separate transactions shall also be deemed to constitute a transfer of the Secured Property under this paragraph (s). Consent by the Trustee shall be given upon receipt of directions in writing passed at a meeting of Bondholders by a vote carrying at least sixty per cent (60%) in value of all the Bondholders; PROVIDED THAT: the directions by Bondholders as aforesaid shall not be required in the case of a sale and purchase of a Unit in accordance with clause 9(3) of this Trust Deed;

(t) The Issuer shall not declare nor pay a dividend unless the Net Gearing of the Issuer is less than seventy-five per cent (75%). For the avoidance of doubt, the Issuer undertakes that until such time as the Secured Bonds are redeemed in full, it shall only declare or pay a dividend in accordance with this paragraph (t):

Provided that it shall not be incumbent on the Trustee to ascertain the Net Gearing of the Issuer prior to the Issuer declaring a dividend:

Provided further, that prior to the declaration of a dividend, the Issuer shall have provided the Trustee with a certificate signed by a director of the Issuer and endorsed by the Issuer's auditor, confirming that the Net Gearing of the Issuer is in line with the requirements set out above in this paragraph (t). In the case of an interim dividend, the Security Trustee shall determine the Net Gearing on the basis of the Issuer's most recent unaudited management accounts management accounts. In the case of a final dividend, the Security Trustee shall determine the net gearing on the basis of the audited financial statements pertaining to the relevant financial year end.

For the purposes of this paragraph (t), the term "**Net Gearing**" shall mean the total interest-bearing liabilities less cash and cash equivalents less funds standing to the credit of the Reserve Account divided by Total Equity and total interest-bearing liabilities less cash and cash equivalents less funds standing to the credit of the Reserve Account; the term "**Total Equity**" shall mean the difference between total assets and total liabilities; the term "**Net Assets**" shall mean the difference between total assets and total liabilities divided by total assets.



**7. Covenants by the Guarantor**

- (1) The Issuer covenants to the Trustee, for the benefit of the Beneficiaries, that at all times during the continuance of any amounts outstanding under the Secured Bonds:
- (a) the Guarantor shall maintain its corporate existence as a company duly authorized and existing and in good standing under Maltese law;
  - (b) The Guarantor shall to do all such acts as it may consider necessary or desirable, or as may be reasonably required by the Trustee, to ensure that during the period when the Secured Bonds are outstanding and until their redemption in full, the Security Interests shall rank with priority over all other claims of the Issuer, and in the event of a third party claim or any circumstances in which the Trustee's right, title and interest of the Security Interests is or may be prejudiced, the Guarantor shall defend the Trustee's right, title and interest in the Security Interests;
  - (c) the Guarantor shall construct and develop each New Development by diligently selecting and engaging contractors of the required skills for projects of that nature and shall diligently monitor and supervise the construction and development works on each New Development;
  - (d) the the Guarantor shall maintain and keep in proper order, repair and condition such parts of the Secured Property as are of a repairable nature and the Trustee shall have the power, but shall not be obliged so to do, in the event of any such part of the Secured Property being or becoming out of proper order repair or condition to call upon the Guarantor to effect such repairs within a reasonable time as may be specified in the notice. If the Guarantor fails to undertake the repairs requested by the Trustee in the notice after the lapse of the time granted to it by the Trustee in the notice, the Trustee may, but shall not be bound to do so, call a meeting of Bondholders for the purpose of determining what action, if any, should be taken in the circumstances; PROVIDED THAT if requested to do so in writing by not less than seventy-five per cent (75%) in nominal value of the Secured Bonds then outstanding, the Trustee shall, provided it is indemnified by the Bondholders or the Issuer to the satisfaction of the Trustee, have the power itself to engage such persons as may be necessary to repair or to put and maintain the same in proper order repair and condition and any expenses incurred by the Trustee and its costs and charges therein shall be a debt due from the Issuer payable on demand;
  - (e) that it shall receive advance payments made under a preliminary agreement of sale and purchase by a purchaser of a Unit up to an amount of ten per cent (10%) of the sale price, and to use all such amounts received for the sole purpose of the construction of the New Development;

- (f) the Guarantor shall insure and keep insured to the satisfaction of the Trustee and to the full replacement value thereof all such parts of the Secured Property as are of an insurable nature against loss or damage by fire, explosion, lightning, storm, tempest, flood (where appropriate) aircraft and things dropped therefrom and such other risks as in accordance with sound commercial practice are normally insured against by companies carrying on a similar business with one or more insurance companies licensed to transact insurance business in Malta or such other insurance company agreed to by the Trustee and shall procure that the interest of the Trustee as is duly noted on the policies of insurance and shall produce the policies of such insurance to the Trustee if required and duly pay or cause to be paid the premia and other sums of money payable in respect of such insurance and if required produce to the Trustee the receipt for the same within fifteen (15) days of the same becoming due. All monies received by virtue of any such insurance shall so far as they are in respect of part of the Secured Property be deemed part of the Secured Property and shall be paid to the Trustee and shall be applied in making good the loss or damage in respect of which the monies were received or in such other manner as the Trustee shall approve. For this purpose, the Issuer shall immediately enter into the Pledge Agreement and shall constitute a pledge over any insurance policy in force by virtue of this clause 6(1) (i) in favour of the Trustee;
- (g) the Guarantor shall duly and punctually pay, perform and observe all rents, rates, taxes, stamp duties, covenants and other obligations whatsoever which ought properly to be paid or to be observed or performed by the Guarantor in respect of any part of the Secured Property;
- (h) the Guarantor shall permit the Trustee or any person or persons authorised by it at any time and from time to time during the usual times of business so long as any money shall remain due upon the Secured Bonds, as the case may be, and the security of this Trust Deed to inspect and examine any part of the Secured Property and will afford the Trustee and its agent access to the Secured Property and render them such assistance as may be required for any of the purposes aforesaid; PROVIDED THAT the aforementioned inspection may only be made by the Trustee after having notified the Issuer in writing of its intention and provided further that the aforementioned inspection is made during reasonable business hours PROVIDED FURTHER THAT the Trustee shall not be obliged to carry out or authorize the inspection of the Secured Property pursuant to this clause 7(1)(h);
- (i) the Guarantor shall keep proper books of account which shall at all reasonable times be open to inspection by the Trustee or any person appointed by the Trustee for that purpose and will furnish to the Trustee or any such agent all such information relating to the business or affairs of the Guarantor as they shall require in accordance with International Accounting Standards and will deliver to the Trustee at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified



by the auditors of the Guarantor and copies of the auditors' and directors' reports thereon together with copies of any other documents required by law to be attached thereto. The Trustee may but shall not be required or bound to carry out any independent audit or other verification of any books of account, balance sheet, profit and loss account, certificates or other information furnished to it by the Guarantor nor shall the Trustee be bound to review, inspect or verify any information furnished to the Trustee in accordance with this clause 7(1)(i);

- (j) the Guarantor shall carry on and conduct its business in a proper and efficient manner;
- (k) the Guarantor shall forthwith on receipt of the same, deliver to the Trustee all orders, directions, notices and any other thing whatsoever affecting or likely to adversely affect the Secured Property but shall be entitled at its own expense to take a copy thereof;
- (l) the Guarantor shall comply with all the requirements of all applicable laws in force in Malta from time to time, including but not limited to the Environment and Development Planning Act (Chapter 504 of the laws of Malta) so far as such requirements relate to the Secured Property and its development or any part thereof and will promptly produce to the Trustee any notice, order, direction, requisition, permission or other document served on it in connection with such law which affects or is likely to affect the Secured Property or any part thereof;
- (m) The Issuer covenants and undertakes to punctually perform all its obligations under the Guarantee the Collateral Deeds and the Pledge Agreement in accordance with the provisions of this Deed.
- (n) The Guarantor covenants and undertakes that all Shareholder Loans shall be expressly subordinated in all respects to the prior payment and satisfaction of all obligations of the Issuer in respect of the Secured Bonds until they are fully and finally discharged.
- (o) The Guarantor undertakes in favour of the Trustee, that for as long as any principal or interest under the Secured Bonds or any indebtedness under the Secured Bonds remains outstanding, not to create or permit to subsist any claim, charge, lien, encumbrance, hypothec, privilege or security interest other than the Collateral arising by law (excluding the privilege of contractors and workmen arising from the provisions of article 2010 of the Civil Code), upon the whole or any part of its present or future assets or revenues to secure any Financial Indebtedness (as defined below) of the Guarantor. Provided that the Guarantor may create Financial Indebtedness secured over assets of the Issuer but not with seniority over the Collateral, provided that the Trustee grants its consent.



For the purposes of this clause 6 and of clause 12 entitled “**Default, Acceleration and Enforcement**” below:

“**Financial Indebtedness**” means any indebtedness in respect of (A) monies borrowed; (B) any debenture, bond, note, loan stock or other security; (C) any acceptance credit; (D) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset; (E) leases entered into primarily as a method of raising finance or financing the acquisition of the asset leased; (F) amounts raised under any other transaction having the commercial effect of borrowing or raising of money; and (G) any guarantee, indemnity or similar assurance against financial loss of any person;

(p) The Guarantor shall not constitute any encumbrances over its assets during the Interim Collateral Period without the prior written consent of the Security Trustee.

(q) The Guarantor shall neither create nor allow to subsist any further encumbrances over the Secured Property save for the provisions of paragraph (q) above, nor shall the Guarantor transfer ownership and, or any other real right over the Secured Property under any title whatsoever, without the consent of the Trustee. For the avoidance of doubt, a transfer of control of the Guarantor shall be deemed to constitute a transfer of the Secured Property under this paragraph. For the purposes of this paragraph a transfer of control shall include, but without prejudice to the generality of the foregoing shall not be limited to: (i) the transfer of voting shares in the Guarantor which amounts to a transfer of fifty per cent (50%) plus one share of the total shareholding having voting rights in the Guarantor; (ii) the transfer in any manner of the ability to appoint a majority of the Directors; and (iii) the transfer to any person of the ability to determine the financial and operational decision making power of the Guarantor. For the avoidance of doubt, a transfer of control in the Guarantor arising as a result of a series of separate transactions shall also be deemed to constitute a transfer of the Secured Property under this paragraph (q). Consent by the Trustee shall be given upon receipt of directions in writing passed at a meeting of Bondholders by a vote carrying at least sixty per cent (60%) in value of all the Bondholders; PROVIDED THAT: the directions by Bondholders as aforesaid shall not be required in the case of a sale and purchase of a Unit in accordance with clause 9(3) of this Trust Deed;

## **8. Representations and Warranties**

- (1) The Issuer and the Guarantor, each hereby represent and warrant to the Trustee, which relies on such representations and warranties, that:

- (a) it is duly registered, incorporated, validly existing and in good standing under the laws of Malta and has the power to carry on its respective business as it is now being conducted and to hold its property and other assets under legal title.
  - (b) it has the power to execute, deliver, and perform its respective obligations under this Deed; all necessary corporate, shareholder and other action has been duly taken to authorise the execution, delivery and performance of the same and no limitation on the powers of the Issuer to borrow or guarantee shall be exceeded as a result of this Deed.
  - (c) this Deed constitutes valid and legally binding obligations of the Issuer and the Guarantor.
  - (d) the execution and performance of the obligations under, and in compliance with the provisions of this Deed by the Issuer and the Guarantor shall not:
    - (i) contravene any existing applicable law, statute, rule or regulation or any judgement, decree or permit to which the Issuer or the Guarantor is subject;
    - (ii) conflict with, or result in any breach of any terms of, or constitute a default under any bond or other instrument to which the Issuer or the Guarantor is a party or is subject or by which it or any of its property is bound; and
    - (iii) contravene any provision of the Issuer's articles of association or the articles of association of the Guarantor, as applicable.
  - (e) no litigation, arbitration or administrative proceedings is taking place, pending or, to the knowledge of the officers of the Issuer and the Guarantor, threatened against the Issuer or Guarantor which could have a material adverse effect on the business, assets or financial condition of the Issuer or Guarantor, as the case may be.
  - (f) the expert providing reports on the construction progress is an independent third party, which has no connection with, and no direct or indirect interest in, the Issuer.
  - (g) each New Development will be developed in accordance with all planning and development rules and regulations and in accordance with approved planning authority permits.
- (2) The Prospectus contains all material information with respect to the Issuer and that all information contained therein is in every material respect true and accurate and not misleading and that there are no other facts in relation to the Issuer, its business and financial position, the omission of which would in the context of issue of the Secured Bonds make any statement in the Prospectus misleading or inaccurate in any material respect.
  - (3) Each of the Issuer and the Guarantor further represent and warrant to the Trustee that relies on such representations and warranties that:

- (a) every consent, authorisation, approval or registration with or declaration to, governmental or public bodies or authorities or courts, required by the Issuer or the Guarantor or other company within the Group in connection with:
  - (i) the development and construction of each New Development has been obtained or shall be obtained;
  - (ii) the issuance of the Secured Bonds and their admissibility to listing and subsequent trading on the Malta Stock Exchange has been obtained and is in full force and effect and there has been no default in the observance of any of the conditions or restrictions, if any, imposed in, or in connection with, any of the same; and
  - (iii) the execution, validity, enforceability of this Deed or the performance of their obligations under this Deed has been obtained or made and is in full force and effect and there has been no default in the observance of any of the conditions or restrictions, if any, imposed in, or in connection with, any of the same;
- (b) no default mentioned in this Deed has occurred and is continuing; and
- (c) the Collateral constitutes the enforceable obligations of the Issuer and the Guarantor, as applicable.

## **9. Functions and Powers of the Security Trustee**

- (1) The Trustee may in its absolute discretion and without further notice, enforce or take any step or proceedings to enforce the covenants and provisions in this Trust Deed, and may in its absolute and uncontrolled discretion waive on such terms and conditions as it shall deem expedient any of the covenants and provisions contained in this Trust Deed on the part of the Issuer and, or the Guarantor to be performed and observed. The Trustee shall not be bound to take any such steps or proceedings to enforce the said covenants and provisions unless requested to do so in writing by not less than seventy-five per cent (75%) in nominal value of the Secured Bonds then outstanding
- (2) Without prejudice to the powers and reliefs conferred on trustees by the applicable law and by this Trust Deed, the Trustee shall have the following powers:
  - (a) To employ and pay at the reasonable cost of the Issuer in discharge of its duties under this Trust Deed any servant or agent to do anything or transact any business to be done or transacted hereunder, without being under any liability for any default of such servant or agent; PROVIDED THAT prior to employing any servant or agent as aforementioned, notice in writing of the estimated costs to be incurred is to be given to the Issuer;
  - (b) To rely on the advice, opinion, direction, report, statement, certificate, or other information furnished by any lawyer, broker, surveyor, valuer, accountant, auditor, architect, engineer or other professional person without incurring any liability for so relying



notwithstanding that such professional person may have been employed by the Issuer or may otherwise not be disinterested and without incurring liability for any error in the transmission of any such advice, opinion, direction, report, statement, certificate or other information, or by reason of the same not being authentic. The Trustee may but shall not be bound to make any investigation or inquiry into any matters stated in such advice, opinion, direction, report, statement, certificate or other information;

(c) To delegate any of its powers under this Trust Deed to any officer or agent of the Trustee believed by it to be competent and responsible and to delegate any of its powers and duties under this Trust Deed to such persons (including any such officer as aforesaid) as it shall think fit provided that the Trustee shall remain responsible for any decision exercised by a delegate as if the decision was exercised by the Trustee itself;

(d) To accept such title as the Issuer has to the Secured Property without being liable for accepting a defective title;

And generally the Trustee shall not be liable for any error of judgment committed in good faith unless it shall be proved that it was grossly negligent in ascertaining the pertinent facts and the Trustee its officers servants and agents shall be entitled to be indemnified out of the Secured Property so far as may be lawful in respect of all liabilities incurred in the execution of the trusts of this Trust Deed.

(3) In addition, the Trustee shall also undertake the following functions:

(a) The Trustee shall appear on all contracts of sale and purchase of a Unit: (i) for the purpose of collecting the agreed portion of the proceeds from each sale as set out in this Trust Deed in accordance with the terms of this Trust Deed; and (ii) for the purpose of cancelling, waiving or reducing the effects of the special hypothec over the Secured Property to the extent of the Unit being transferred;

The Trustee and the Issuer have agreed on the exact sums that are to be allocated to the Trustee. Subject to the provisions of clause 5(1)(b), the Trustee shall be empowered to cancel, waive or reduce the effects of the Security Interests over the Secured Property after receiving, for the credit of the Reserve Account, the Trustee shall receive seventy per cent (70%) of the Projected Sales Price assigned to the respective Unit being sold;

**“Projected Sales Price(s)”** shall mean the fixed amounts set out in the attached Schedule A.

(b) The Trustee shall apply any funds held by it pursuant to these provisions to the Reserve Account to be held with one or more banks licensed in Malta. The Trustee may from time to time may, but shall not be obliged to, invest such monies in such a manner and in such instruments as are herein provided, namely:

- (i) the re-purchase of the Secured Bonds in the market; and/or
- (ii) in accordance with the provisions of clause 5(5) of this Trust Deed.

(c) The funds held by the Trustee in the Reserve Account shall be applied by the Trustee in the order specified in clause 16(3) of this Trust Deed:

(d) Any funds held by an investment advisor to the order of the Trustee shall be deemed to form part of the funds held by the Trustee in the Reserve Account.

#### **10. Additional Collateral Requirement**

In the event that the value of the New Development, as determined by the Valuation Report, decreases below the amount specified in such Valuation Report, the Security Trustee shall have the right to request, and the Issuer and/or the Guarantor and/or any such person forming part of the Group shall be obligated to provide, within twenty (20) Business Days of such request (or such additional time as the Security Trustee may permit), additional collateral in favour of the Security Trustee reasonably acceptable to the Security Trustee, sufficient to restore the value of the collateral to a level at least equal to the value stated in the Valuation Report or as otherwise acceptable to the Security Trustee. The valuation of such additional collateral shall be conducted by an independent and qualified valuer appointed by the Trustee at the Issuer's expense. Failure to comply with this provision shall constitute an Event of Default under this Trust Deed.

#### **11. Remuneration of the Trustee**

- (1) During the continuance of this Trust Deed the Issuer shall pay to the Trustee in respect of its services as Trustee remuneration according to the fee letter of 17 July 2025. The Issuer shall in addition pay all reasonable travelling and other costs charges and expenses which the Trustee shall properly incur in connection with the execution of the trusts hereof and the exercise of the powers and discretions hereby vested in it together with interest thereon as hereinafter provided. The said remuneration and increased remuneration (if any) shall continue notwithstanding that a receiver shall have been appointed or that the trusts hereof shall be in course of administration by or under the direction of the court. All remuneration costs charges and expenses due to the Trustee or to any receiver appointed by them shall be payable upon demand and pending payment shall carry interest at the rate of four percent (4%) *per annum*.
- (2) The Trustee may retain and pay to itself out of any monies or the proceeds of any investments in its hands upon the trusts of this Trust Deed all sums owing to it in respect of remuneration costs, charges, expenses or interest or by virtue of any indemnity from the Issuer to which it is entitled hereunder or by law or by virtue of any release or indemnity granted to it and all such sums as aforesaid shall be so retained and paid in priority to the



claims of the Beneficiaries and shall constitute an additional charge upon the Secured Property.

## **12. Default, Acceleration and Enforcement**

- (1) The Trustee may in its absolute and uncontrolled discretion, and shall upon the request in writing of not less than seventy-five percent (75%) in nominal value of the Secured Bonds then outstanding, by notice in writing to the Issuer declare the Secured Bonds to have become immediately due and payable upon the happening of any of the following events (hereinafter, each an “**Event of Default**”):
- (a) the Issuer fails to effect payment of interest under the Secured Bonds (irrespective of the Tranche) on an Interest Payment Date and such failure continues for a period of 60 days after written notice thereof has been given to the Issuer by the Security Trustee; or
  - (b) the Issuer fails to pay the principal amount on any Secured Bond (irrespective of the Tranche) on the Redemption Date, and such failure continues for a period of 60 days after written notice thereof has been given to the Issuer by the Security Trustee; or
  - (c) the Issuer or the Guarantor fails to duly perform or otherwise breaches any other material obligation contained in the Base Prospectus or the Trust Deed and such failure continues for a period of 60 days after written notice thereof has been given to the Issuer / Guarantor by the Security Trustee; or
  - (d) the Collateral is not constituted and perfected in accordance the Base Prospectus and the Security Trust Deed;
  - (e) The Collateral and, or the Guarantee are not enforceable against the Issuer and, or the Guarantor (as applicable)
  - (f) in terms of article 214(5) of the Act, a court order or other judicial process is levied or enforced upon or sued out against any part of the property of the Issuer / Guarantor and is not paid out, withdrawn or discharged within one month;
  - (g) the Issuer or the Guarantor stops or suspends payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so or ceases or threatens to cease to carry on its business or a substantial part of its business; or

- (h) the Issuer or the Guarantor is unable, or admits in writing of its inability, to pay its debts within the meaning of article 214(5) of the Act, or any statutory modification or re-enactment thereof; or
- (i) an order is made or an effective resolution is passed for winding up of the Issuer or the Guarantor, except for the purpose of a reconstruction, amalgamation or division, the terms of which have been approved in writing by the Security Trustee; or
- (j) a judicial or provisional administrator is appointed upon the whole or any part of the property of the Issuer or the Guarantor; and such appointment is certified by the Security Trustee to be prejudicial, in its opinion to the Bondholders; or
- (k) the Issuer or the Guarantor substantially changes the object or nature of its business as currently carried on; or
- (l) the Issuer or the Guarantor commits a breach of any of the covenants or provisions contained in the Security Trust Deed and on its part to be observed and performed and the said breach still subsists for 60 days after having been notified by the Security Trustee (other than any covenant for the payment of interests or principal monies owing in respect of the Secured Bonds); or
- (m) the security constituted by any hypothec, pledge, or charge upon the whole or any part of the undertaking or assets of the Issuer or the Guarantor shall become enforceable, and steps are taken to enforce the same and the taking of such steps shall be certified in writing by the Security Trustee to be in its opinion prejudicial to the Bondholders; or
- (n) any representation or warranty made or deemed to be made or repeated by or in respect of the Issuer or the Guarantor is or proves to have been incorrect in any material respect in the sole opinion of the Security Trustee; or
- (o) any material indebtedness of the Issuer or the Guarantor is not paid when properly due or becomes properly due and payable or any creditor of the Issuer or the Guarantor (as the case may be) becomes entitled to declare any such material indebtedness properly due and payable prior to the date when it would otherwise have become properly due or any guarantee or indemnity of the Issuer or the Guarantor in respect of indebtedness is not honoured when properly due and called upon; PROVIDED THAT for the purposes of this provision, material indebtedness shall mean an amount exceeding €2,000,000; or

- (p) any consent, permit, authorisation, licence or approval of, or registration with, or declaration to governmental, statutory or public bodies, or authorities or courts, required in connection with the development of the Secured Property, or required by the Issuer or Guarantor for the performance of its obligations under the Base Prospectus or under this Security Trust Deed and, or the Guarantee (as applicable), is substantially modified in the sole opinion of the Security Trustee, or is not granted, or is revoked, or terminated, or expires and is not renewed, or otherwise ceases to be in full force and effect; or
- (q) it becomes unlawful at any time for the Issuer or Guarantor to perform all or any of its obligations under the Base Prospectus, or under the Security Trust Deed and, or the Guarantee (as applicable); or
- (r) all, or in the sole opinion of the Security Trustee, a material part, of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Issuer / Guarantor are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

Upon any such declaration being made as aforesaid the said principal monies and interest accrued under the Secured Bonds shall be deemed to have become immediately payable at the time of the event which shall have happened as aforesaid.

PROVIDED THAT in the event of any breach by the Issuer or the Guarantor of any of the covenants, obligations or provisions herein contained due to any fortuitous event of a calamitous nature or otherwise beyond the control of the Issuer or the Guarantor, then the Trustee may, but shall be under no obligation so to do, give the Issuer or the Guarantor such period of time to remedy the breach as in its sole opinion may be justified in the circumstances and if in its sole opinion the breach is remediable within the short term and without any adverse impact on the Bondholders. Provided further that in the circumstances contemplated by this proviso the Trustee shall at all times act on and in accordance with any directions it may receive in a meeting of Bondholders satisfying the conditions set out in clause 17 below.

- (2) The Trustee shall not be bound to take any steps to ascertain whether any Event of Default or other condition, event or circumstance has occurred or may occur, and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default or condition, event or other circumstance has happened and that the Issuer / Guarantor is observing and performing all the obligations, conditions and provisions on their respective parts contained in this Trust Deed and, or pertaining to the Secured Bonds.



### **13. Security and Guarantee**

- (1) In warranty of the proper observance by the Issuer of all the covenants and obligations undertaken by it in the Trust Deed and the Secured Bonds and in particular in warranty of its obligation to punctually repay the principal amount of the Secured Bonds and all interests thereon, and all other monies intended to be thereby secured, the Issuer shall constitute the Security Interests in favour of the Trustee for the benefit of the holders of the Secured Bonds in accordance with this Trust Deed.
- (2) By virtue of the Collateral Deeds and the Pledge Agreement, the Issuer undertakes and covenants to secure the due and punctual performance by the Issuer of all its obligations under this Trust Deed and the Secured Bonds. The Issuer shall constitute in favour of the Trustee, on trust for the Bondholders the Security Interests referred to in this Trust Deed.
- (3) The Hypothecs to be constituted by the Issuer are to be published in the records of Notary Andre Farrugia pursuant to the issue of the Secured Bonds.
- (4) The Collateral shall be constituted in favour of the Security Trustee by the Issuer and the Guarantor (as applicable) in the following manner:
  - (a) Upon the entry into of each deed of acquisition pertaining to the acquisition of a New Site (which shall be funded by the issuance of a Tranche of Secured Bonds), the Security Trustee shall reserve in its favour the Special Privilege securing an amount equivalent to the funds disbursed by the Security Trustee to the vendor(s) for the purposes of funding the acquisition price of the respective New Site.
  - (b) Within 15 days, following the entry into of the deed of acquisition of a New Site (which shall be funded by the issuance of a Tranche of Secured Bonds), the Guarantor shall enter into a Pledge Agreement to constitute a pledge on Insurance Policies as security for the full nominal value of the Secured Bonds and interest thereon whereby the Guarantor shall pledge in the Security Trustee's favour its rights under the Insurance Policies.
  - (c) Following the issuance of the last possible tranche of Secured Bonds which may be issued under the Programme (which cannot be later than 12 months from the date of the publication of this Base Prospectus) (the "Final Tranche"), the Security Trustee shall constitute the following collateral:
    - i. a first-ranking general hypothec by the Issuer in favour of the Security Trustee, its respective assets present and future for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon;

- ii. a first-ranking general hypothec by the Guarantor in favour of the Security Trustee, over its assets present and future for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon; and
  - iii. a first-ranking special hypothec by the Guarantor in favour of the Security Trustee for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon over each of the New Sites purchased by the Guarantor and which are funded by a tranche of Secured Bonds.
- (d) Between the period commencing from the date that the first tranche of Secured Bonds is issued until the Collateral is constituted (the “Interim Collateral Period”), the Issuer expects to require approximately €1.5 million in funds to finance development costs of St. Paul’s Bay Development I and the St. Paul’s Bay Development II. The release of net bond proceeds in the aggregate maximum amount of €1.5 million during the Interim Collateral Period shall be made by way of public deed for the financing of the construction costs and/or the settlement of contractors wages for construction/ development work carried out the New Site. On the said public deed, the Security Trustee shall reserve in its favour a special privilege for the amount of €1.5 million in accordance with Article 2010(1)(b) of the Civil Code (Chapter 386 of the laws of Malta).

#### **14. Trust of Secured Property and Trust Property**

The Trustee shall permit the Issuer until the Security Interests hereby constituted shall have become enforceable and the Trustee shall have determined or become bound to enforce the same to hold and enjoy the Secured Property and to develop, construct and make improvements in line with the objectives of the New Developments.

#### **15. Dealing with Secured Property**

At any time or times before the Security Interests shall have become enforceable and the Trustee shall have determined or become bound to enforce the same, the Trustee may at the cost and request of the Issuer and with due regard to the interests of all the Beneficiaries do or concur with the Issuer in doing all or any of the things which the Issuer might have done with or in respect of the Secured Property had not this security been created and particularly but not by way of limitation may sell, let, exchange, surrender, develop, deal with or exercise any rights in respect of all or any part of the Secured Property upon such terms or for such consideration or in any such manner as is herein mentioned and having due regard to the interests of the Beneficiaries as it shall think fit, provided that the consent in writing of the Trustee shall at all times be required for the Issuer to do any of the foregoing.

#### **16. Payment Obligations of the Trustee**

- (1) All payment and other obligations to the Beneficiaries shall be the exclusive obligations of the Issuer and save for what is stated in sub-paragraph (2) of this clause 16, the Trustee shall not

have, and nothing herein contained shall be construed as creating or otherwise acknowledging, any obligation on the part of the Trustee in favour of the Bondholders for any payments that may fall due under the Secured Bonds.

- (2) Notwithstanding the provisions of clause 16(1) above, the Trustee shall be bound to pay to Bondholders, *pro rata* to each Bondholder's holding of Secured Bonds such amounts held by it in the Reserve Account, to satisfy the redemption of the principal amount of the Secured Bonds on the Redemption Date. The Trustee shall not at any time and for any reason be liable to make payments to Bondholders in excess of the amounts held by it in the Reserve Account.
- (3) All monies held by the Trustee in the Reserve Account or hereunder at any time shall be held by the Trustee (subject to any prior ranking claims thereon) upon trust to apply the same for the following purposes and in the following order of priority in payment of:
  - (a) all costs charges expenses and liabilities incurred, and payments made in or about the exercise of the trust in relation to this Trust Deed by the Trustee including all remuneration payable to the Trustee with interest thereon as hereinafter provided;
  - (b) all costs incurred and payments made by the Trustee in relation to the enforcement of the Security Interests, including but not limited to any costs incurred by the Trustee in the filing of legal proceedings for the enforcement of the Security Interests, whether such costs are directly or indirectly related thereto;
  - (c) the interest owing upon the Secured Bonds; and
  - (d) the principal monies owing upon the Secured Bonds;
- (4) Any remaining funds standing to the credit of the Reserve Account following the payment made in accordance with Clause 4(3) shall be paid to the Issuer.
- (5) The Trustee shall give to Bondholders at least ten (10) days' notice of redemption of the Secured Bonds and shall indicate in such notice the manner in which the redemption of the Secured Bonds shall be made.
- (6) The Trustee shall be entitled at its discretion to withhold payment of any monies due to be distributed to any Bondholder. Any monies the payment whereof is for the time being withheld by the Trustee pursuant to this clause 16 shall be placed by it at the risk of the person or persons entitled thereto in an account with a bank in Malta and so much of the Bonds subject to redemption as equals the amount of any principal monies for the time being withheld from the person or persons registered or entitled to be registered as the beneficiaries of the Bonds shall not carry interest while such monies are being withheld (save any interest allowed on the account in which such monies are placed). The receipt of the Bondholder of any monies paid by the Trustee in respect of the Secured Bonds shall be a good discharge to the Trustee for those monies.



## **17. Meetings of Bondholders**

- (1) A Bondholders' Meeting may be called for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which in terms of the Base Prospectus or the Security Trust Deed require the approval of a Bondholders' Meeting and to effect any change to the applicable Terms and Conditions, including any change to a material term of issuance of the Secured Bonds or the Base Prospectus.
- (2) In the event that the Issuer is desirous of amending the Final Terms of one particular Tranche, it is only Bondholders of that particular Tranche (the "Affected Bondholders") who shall be entitled to attend, and vote at, a meeting summoned for this purpose.
- (3) All Bondholders shall be entitled to attend meetings pertaining to the reduction, waiver or substitution of the Collateral where the Security Trustee determines that any reduction, waiver or substitution of the Collateral requires the consent of Bondholders.
- (4) Where the approval of the Bondholders is required for a particular matter, such resolution shall be passed at a Bondholders' Meeting. Meetings of Bondholders and Affected Bondholders shall be summoned and conducted in the manner prescribed hereunder.

### **Procedural Rules for Bondholders' Meetings**

- (1) A meeting of Bondholders or Affected Bondholders (as applicable) shall be held at the written request of:
  - (a) the Issuer; or
  - (b) the Security Trustee
- (2) The meeting of Bondholders or Affected Bondholders (as applicable) shall be called by the Security Trustee. A request for a meeting shall be made in writing to the Security Trustee and shall clearly state the matters to be discussed. If the Security Trustee does not call the meeting within 21 days from the receipt of the said request, the requesting party may call the meeting itself.
- (3) The Security Trustee shall, by not less than 14 days' notice in writing, call such meeting by giving all Bondholders or Affected Bondholders (as applicable) listed in the register of Bondholders as at a date being not more than 30 days preceding the date scheduled for the meeting. Such notice shall set out the time, place and date set for the meeting and the matters to be discussed or decided thereat, including, if applicable, sufficient information on any amendment of the Base Prospectus or the terms and conditions of a Tranche that is proposed to be voted upon at the meeting and seeking the approval of the Bondholders. If amendments to the Base Prospectus or the terms and conditions of a Tranche have been proposed, the main content of the proposal shall be contained in the notice.
- (4) A meeting of Bondholders or Affected Bondholders (as applicable) shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting.

For this purpose, a quorum shall be constituted by at least two Bondholders or Affected Bondholders (as the case may be) present, in person or by proxy, representing not less than:

- (a) 50% in nominal value of the Bonds in issue, in the case of a meeting of all Bondholders; or
  - (b) 50% in nominal value of the Bonds in issue of a particular Tranche held by the Affected Bondholders, in the case of a meeting of Affected Bondholders.
- (3) If a quorum is not present within 30 minutes from the time scheduled for the commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors to the Bondholders present at that meeting. The Issuer shall within two days from the date of the original meeting publish by way of a company announcement the date, time, and place where the adjourned meeting is to be held. An adjourned meeting shall be held not earlier than seven days, and not later than 15 days, following the original meeting. At an adjourned meeting the number of Bondholders present, in person or by proxy, shall constitute a quorum; and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.
- (4) Once a quorum is declared present by the chairman of the meeting, the meeting may then proceed to business and address the matters set out in the notice convening the meeting. In the event of decisions being required at the meeting the directors or their representative shall present to the Bondholders or Affected Bondholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time for Bondholders or Affected Bondholders to present their views to the Issuer and the other Bondholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Bondholders or Affected Bondholders present at the time at which the vote is being taken, and any Bondholders or Affected Bondholders taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.
- (5) The meeting shall be held on the premises designated by the Security Trustee. The meeting shall be chaired by the Security Trustee, unless otherwise decided by the meeting.
- (6) Minutes of the meeting shall be kept. The minutes shall state the numbers of Bondholders and Secured Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting and the result of the voting. The minutes shall be signed by the chairman of the meeting. The minutes shall be deposited with the Security Trustee.
- (7) The Bondholders and the Security Trustee have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties unless the Bondholders' Meeting decides otherwise. A Bondholder may attend by a representative holding proxy.

- (8) The Security Trustee shall circulate proxy forms to Bondholders with the notice convening the Bondholders' Meeting.
- (9) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present when voting takes place.
- (10) The Trustee may provide for virtual or remote meetings of Bondholders, provided that any such meetings allow Bondholders to ask questions and to exercise their right to vote at such meetings.

#### **Resolutions passed at Bondholders' Meetings**

- (11) Unless otherwise specified in the Base Prospectus and, or the Security Trust Deed, the proposal placed before a meeting of Bondholders or Affected Bondholders shall only be considered approved if at least 75% in nominal value of the Bondholders or Affected Bondholders (as applicable) present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.
- (12) At the meeting of Bondholders or Affected Bondholder each Bondholder or Affected Bondholder may cast one vote for each Secured Bond held at close of business on the day prior to the date of the meeting and as recorded on the register of Bondholders maintained by the CSD.
- (13) In all matters, the Issuer, the Security Trustee, and any Bondholder or Affected Bondholders shall have the right to demand a poll.
- (14) The meeting may not adopt resolutions which may give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (15) The Security Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented; however, the Security Trustee may refuse to carry out resolutions being in conflict with the Base Prospectus or any applicable law.
- (16) The Issuer and the Bondholders shall be notified of resolutions passed at the Bondholders' Meeting.

#### **18. Other Business Relationships between the Trustee and the Issuer**

Subject to any mandatory applicable law, neither the Trustee nor any of its shareholders, directors or officers or any associates, affiliates, agents or delegates shall by reason of its or his fiduciary position, as the case may be, be in any way precluded from entering into or being interested in any contract or financial or other transaction or arrangement with the Issuer or any person or body corporate associated with the Issuer including without prejudice to the generality of this provision



any contract, transaction or arrangement for the provision of legal services; or any other contract, transaction or arrangement as aforesaid or any person or body corporate associated with the Issuer, accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by the Issuer or any such person or body corporate so associated or any office of profit under the Issuer or any such person or body and shall be entitled to retain and shall not be in any way liable to account for any profit made or fees earned or remuneration or other benefit received thereby or in connection therewith.

#### **19. Release of Security**

The security constituted in favour of the Trustee shall be released upon the payment or prepayment, on the Redemption Date or otherwise, of the principal amount of the Secured Bonds, payment of all interest thereunder and reimbursement of all expenses incurred by, and payment of remuneration due to the Trustee under this Trust Deed, all obligations and all security interests created by the Secured Bonds, this Trust Deed, the Pledge Agreement and, or the Hypothecs and the Guarantee shall be released and forever discharged, whereupon the Trustee shall be discharged from all liabilities and obligations which it has under this Trust Deed, the Pledge Agreement, the Guarantee and the Hypothecs; in determining whether, for the purposes of this Trust Deed, the security period has come to an end, there shall be disregarded the liabilities of the Issuer in respect of the expenses of the Issuer in connection with any such release or re-assignment.

#### **20. Disclosure of information**

Without prejudice to the provisions of the Trusts and Trustees Act which cannot be derogated from in terms of this Trust Deed, the Trustee shall not be obliged to provide information as to the state and amount of the Trust Property, including the accounts of the trust and the conduct of the trust administration to any Beneficiary.

#### **21. Removal or Retirement of Trustee**

The Trustee may retire at any time on giving not less than three (3) months prior written notice to the Issuer without assigning any reason and without being responsible for any costs occasioned by such retirement. The Bondholders shall have the power exercisable by a resolution passed at a Bondholders' Meeting passed by seventy-five per cent (75%) in value of the Bondholders to remove the Trustee. The Issuer undertakes that in the event of the Trustee giving notice under this clause 18 or being removed under this clause they shall use all reasonable endeavours to procure a new trustee to be appointed. The retirement or removal of the Trustee shall not become effective until a successor trustee is appointed and shall be subject to the provisions of article 20 of the Trusts and Trustees Act.

#### **22. Termination**

Unless the Trustee is removed or retires in accordance with clause 21 of this Trust Deed, the Trustee shall only be discharged from all liabilities and obligations which it has under this Trust Deed upon the redemption of the principal amount of the Secured Bonds and payment of all interests thereunder

and reimbursement of all expenses incurred by and payment of remuneration due to the Trustee under this Trust Deed.

### **23. Exclusion of Implied Duties**

All the terms of the trust constituted hereby are set out in this Trust Deed and the Trustee shall operate the trust constituted by this Trust Deed in accordance with the express terms of this Trust Deed.

### **24. Limitation of Liability**

The Trustee shall not be liable to the Issuer or any of the Bondholders, as the case may be, for any loss or expense attributable to any action taken or omitted to be taken by the Trustee, or any person appointed by the Trustee under or in connection with this Trust Deed or the Secured Bonds, as the case may be, unless the loss or expense is shown to have been caused by the gross negligence, misconduct or fraud of the Trustee or the person appointed by the Trustee; and the Issuer and/or Beneficiaries shall not make any claims against the Trustee or against any person appointed by the Trustee in respect of such loss or expense unless he is shown to have acted with gross negligence, willful misconduct or fraud.

The Trustee shall not be liable to the Issuer or any of the Bondholders, as the case may be, for any loss or expense attributable to any action taken by it in accordance with the directions received from Bondholders.

### **25. Indemnity**

The Trustee shall be indemnified against all liabilities incurred by it in the performance or execution of its functions under this Deed, whether such liabilities have arisen as a result of any act, omission or judgement exercised by the Trustee, provided that the Trustee shall not be entitled to be indemnified for any breach of this Trust Deed willfully caused or caused by the gross negligence or fraud on the part of the Trustee.

### **26. Professional Indemnity Insurance**

The Issuer shall insure and keep insured the Trustee or shall pay any additional premium which the Trustee may incur for any insurance taken out by it for any or all liabilities which it may incur in the performance of its functions under this Trust Deed provided that any limit of indemnification set out in a professional indemnity insurance shall not in any way mean that the Trustee may only be indemnified up to the amount to which the cover is limited.

### **27. Modification of the Trust Deed**

The Security Trustee may agree, without the consent of the Bondholders, to the modification of percentage of the Projected Sales Price. The Security Trustee also may, in its absolute and uncontrolled discretion, waive on such terms and conditions as it shall deem expedient any of the covenants and provisions contained in the Security Trust Deed on the part of the Issuer and, or the

Guarantor to be performed and observed. Any such waiver, modification, authorisation, or determination shall be binding on the Bondholders and, if the Security Trustee so requires, such modification shall be notified to the Bondholders as soon as practicable.

## **28. Notices**

Any notice or demand to the Issuer or the Trustee required to be given, made or served for any purpose under the Secured Bonds or this Trust Deed shall only be given, made or served by sending the same by registered mail, facsimile transmission, or electronic mail or by delivering it by hand as follows:

To the Issuer and the Guarantor:

Attention: Adrian Muscat and Cliona Muscat

e-mail: [adrian.muscat@acmus.mt](mailto:adrian.muscat@acmus.mt) and [cliona.muscat@acmus.mt](mailto:cliona.muscat@acmus.mt)

Address: Hyatt Centric Malta, Triq Santu Wistin, San Giljan SWQ 3312, Malta

To the Trustee:

Attention: Louis de Gabriele

email: [louis.degabriele@camilleripreziosi.com](mailto:louis.degabriele@camilleripreziosi.com); and

Attention: Donald Vella

email: [donald.vella@camilleripreziosi.com](mailto:donald.vella@camilleripreziosi.com)

Address: Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta

or such other address, or email as shall have been notified (in accordance with this clause 28) to the parties hereto and any notice or demand sent by post as aforesaid shall be deemed to have been given, made or served three (3) days after dispatch and any notice sent by facsimile transmission or electronic mail shall be deemed to have been given, made or served twenty-four (24) hours after the time of dispatch provided that in the case of a notice or demand given by facsimile transmission or electronic mail such notice or demand shall forthwith be confirmed by post. The failure of the addressee to receive such confirmation shall not invalidate the relevant notice or demand given by facsimile transmission or electronic mail.

## **29. Applicable Law**

This Deed shall be governed, interpreted, and construed in accordance with the laws of Malta.

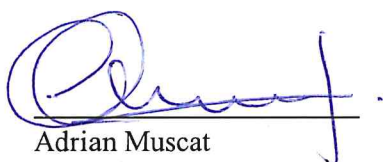
## **30. Jurisdiction**

If any controversy, disagreement, or dispute should arise between the Issuer, the Guarantor and, or the Trustee in the performance, interpretation, or application of this Deed, the Issuer, the Guarantor, and the Trustee shall use their best endeavors to reach an amicable solution. If no such amicable solution is reached, each Party may call upon the other to have the dispute reviewed and finally settled by arbitration. Within fifteen (15) days of such notice being served, the Parties shall collectively nominate one arbitrator. If the Parties fail to agree on such appointment, the Parties shall request the Chairman of the Malta Arbitration Centre to appoint an arbitrator in terms of the



Arbitration Act (Chapter 387 of the laws of Malta). The arbitration shall take place in Malta and the language of the arbitration shall be English. The decision of the arbitrator shall be final and binding on the Parties and no appeal may be filed therefrom. The Parties irrevocably agree that the arbitrator, howsoever selected, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Deed and that accordingly, any suit, action or proceedings arising out of or in connection with this Deed shall be brought to arbitration, and no further recourse to the courts of any country shall apply.

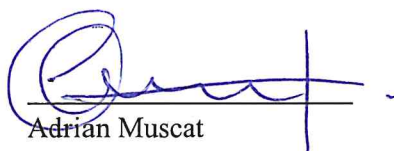
Executed as a binding deed effective as of the 17<sup>th</sup> day of July of the year 2025.



Adrian Muscat  
for and on behalf of  
**ACMUS PLC**



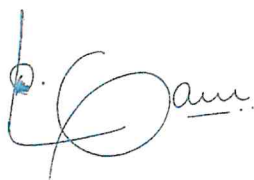
Cliona Muscat  
for and on behalf of  
**ACMUS PLC**



Adrian Muscat  
for and on behalf of  
**ACMUS PROPERTIES LIMITED**



Cliona Muscat  
for and on behalf of  
**ACMUS PROPERTIES LIMITED**



Louise de Gabriele  
for and on behalf of  
**EQUINOX INTERNATIONAL  
LIMITED**



Donald Vella  
for and on behalf of  
**EQUINOX INTERNATIONAL  
LIMITED**

**Schedule A –  
Projected Sales Prices**

# Omissis



# **Schedule B – Guarantee**

To: Equinox International Limited  
Level 3, Valletta Buildings,  
South Street,  
Valletta VLT 1103, Malta

(Hereinafter, together with its lawful successors and assigns referred to as the “**Security Trustee**”).

**17 July 2025**

**Dear Sirs,**

Re: GUARANTEE & INDEMNITY

**I, ACMUS Properties Limited, a company registered in Malta bearing company registration number C 111221 (hereinafter together with its lawful successors and assigns, referred to as the “Guarantor”), having noted that:**

- A. by virtue of a base prospectus dated 17 July 2025 issued by ACMUS P.L.C. (hereinafter, the “**Issuer**”) in connection with a secured programme of up to €23 million Secured Bonds 2028 - 2030 (as the same may be amended, varied or supplemented, including the applicable final terms, hereinafter referred to as the “**Base Prospectus**”) the Issuer shall, under the joint and several guarantee of the Guarantor, issue up to €23 million Secured Bonds to be redeemed and finally repaid by the Redemption Date (as defined in the Base Prospectus) or an Early Redemption Date (as defined in the Base Prospectus), on which date the Issuer shall be entitled to prepay all or part of the principal amount of the Secured Bonds and all interests accrued up to the date of prepayment, subject to the terms and conditions of the Base Prospectus (the “**Secured Bonds**”);
- B. the Guarantor is a fully owned subsidiary company of the Issuer;
- C. it is a condition precedent for the issuance of the Secured Bonds that, *inter alia*, the Guarantor executes and grants this Guarantee and Indemnity (hereinafter referred to as the “**Guarantee**”) of the obligations of the Issuer above referred to in favour of the Security Trustee; and
- D. the Guarantor has agreed to the conclusion and execution of this Guarantee in favour of the Security Trustee.

NOW, THEREFORE, THE GUARANTOR IS HEREBY COVENANTING IN FAVOUR OF THE SECURITY TRUSTEE AS FOLLOWS:

## **1. INTERPRETATION**

In this Guarantee, unless the context otherwise requires:

- (a) terms and expressions defined in or construed for the purposes of the Base Prospectus shall have the same meanings or be construed in the same manner when used in this Guarantee, unless defined otherwise in this Guarantee;
- (b) “**Indebtedness**” means any and all moneys, obligations, and liabilities now or hereafter due, owing or incurred by the Issuer under the Secured Bonds to the Bondholders (whether alone and, or with others) in terms of the Base Prospectus and in any and all cases whether for

principal, interests, capitalised interests, charges, disbursements, or otherwise and whether for actual or contingent liability; and

- (c) **“writing”** or **“in writing”** shall mean any method of visual representation and shall include facsimile transmissions, telexes, and other such electronic methods.

## **2. GUARANTEE**

### **2.1. Covenant to Pay**

In satisfaction of the conditions precedent for the issuance of the Secured Bonds, and in consideration of the Bondholders acquiring the Secured Bonds, the Guarantor, as duly authorised, without proof of liability or evidence and as primary obligor, hereby jointly and severally with the Issuer, unconditionally and irrevocably guarantees to the Security Trustee, for the benefit of itself and the Bondholders (in proportion to their respective holding of Secured Bonds) the payment of, and undertakes on first demand in writing made by the Security Trustee on the Guarantor, to pay the Indebtedness to the Security Trustee or any balance thereof at any time due or owing under the Secured Bonds.

### **2.2. Maximum Liability of the Guarantor**

This is a continuing Guarantee for the whole amount due or owing under the Secured Bonds or which may hereafter at any time become due or owing under the Secured Bonds by the Issuer but the amount due by Guarantor to the Security Trustee under this Guarantee shall be up to and shall not be in excess of €23 million apart from interests due up to the date of payment and costs and expenses relating to the protection, preservation, collection or enforcement of the Security Trustee’s rights against the Issuer and the Guarantor which shall be additional to the maximum sum herein stated.

### **2.3. Collateral supporting Guarantee**

The Guarantee shall be further supported by the following security interests constituted in favour of the Security Trustee

- (i) a first-ranking special privilege in terms of Article 2010(1)(c) of the Civil Code over a New Site securing an amount equivalent to the funds disbursed by the Security Trustee to the vendor(s) for the purposes of funding the acquisition price of the respective New Site;
- (ii) a first-ranking general hypothec by the Issuer in favour of the Security Trustee, its respective assets present and future for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon;
- (iii) a first-ranking general hypothec by the Guarantor in favour of the Security Trustee, over its assets present and future for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon;
- (iv) a first-ranking special hypothec by the Guarantor in favour of the Security Trustee for the full nominal value of the Secured Bonds (a maximum of €23 million) and interest thereon over each of the New Sites purchased by the Guarantor and which are funded by a tranche of Secured Bonds; and



- (v) pledge on Insurance Policies as security for the full nominal value of the Secured Bonds and interest thereon whereby the Guarantor shall pledge in the Security Trustee's favour its rights under the Insurance Policies.

#### **2.4. Indemnity**

As a separate and independent stipulation, the Guarantor agrees to indemnify the Security Trustee on demand for any damages, losses (excluding loss of profit), costs and expenses arising from any failure on the part of the Issuer to perform any obligation to the Security Trustee and the Guarantor so agrees to indemnify the Security Trustee even in the event that any obligation of the Issuer to the Security Trustee is invalid or ceases to be valid and enforceable against the Issuer for any reason whatsoever including, but without limitation, any legal limitation or any disability or incapacity of the Issuer. In such an event the Guarantor shall be liable towards the Security Trustee as if that obligation was fully valid and enforceable and as if the Guarantor were the principal debtor in respect thereof and shall pay all sums due to the Security Trustee within seven days of a demand in writing by the Security Trustee.

### **3. CONTINUING AND UNCONDITIONAL LIABILITY**

- 3.1. The liability of the Guarantor under this Guarantee shall be continuing until such time as the Indebtedness is fully repaid and shall in no way be prejudiced or effected, nor shall it in any way be discharged or reduced by reason of:
  - (a) the bankruptcy, insolvency or winding up of the Issuer; or
  - (b) the incapacity or disability of the Issuer or any other person liable for any reason whatsoever; or
  - (c) any change in the name, style, constitution, any amalgamation, or reconstruction of either the Issuer, or the Guarantor; or
  - (d) the Security Trustee conceding any time or indulgence, or compounding with, discharging, releasing or varying the liability of the Issuer or any other person liable or renewing, determining, reducing, varying or increasing any accommodation or transaction or otherwise dealing with the same in any manner whatsoever or concurring in, accepting or in any way varying any compromise, composition, arrangement or settlement or omitting to claim or enforce or exact payment from the Issuer or any other person liable; or
  - (e) any event, act or omission that might operate to exonerate the Guarantor without settlement in full of the Indebtedness towards the Security Trustee.
- 3.2. The Security Trustee is being expressly authorised to vary the Base Prospectus and, or modify the Indebtedness or to release or modify any guarantees or any security the Security Trustee may hold as security for the Indebtedness and this without the need of any prior or subsequent notice to the Guarantor and without any prejudice to the rights of the Security Trustee hereunder. The Guarantor is also hereby expressly consenting to any assignments and transfers made by the Issuer in accordance with the Base Prospectus and this without the need of any prior or subsequent notice to the Guarantor and without any prejudice to the rights of the Security Trustee hereunder.

#### **4. WAIVER OF THE GUARANTOR'S RIGHTS AND THE GUARANTOR'S WARRANTIES**

- 4.1. Until the Indebtedness has been paid in full the Guarantor agrees that it will not, without the prior written consent of the Security Trustee:
- (a) exercise any rights of subrogation, reimbursement and indemnity against the Issuer or any other person liable for the Indebtedness;
  - (b) demand or accept repayment, in whole or in part, of any indebtedness now or hereafter due to the Guarantor either from the Issuer or from any other person liable for the Indebtedness or demand any collateral in respect of same or dispose of same;
  - (c) take any step to enforce any right against the Issuer or any other person liable for the Indebtedness;
  - (d) claim any set-off or counter-claim against the Issuer or any other person liable for the Indebtedness nor shall the Guarantor claim or prove in competition with the Security Trustee in the liquidation of the Issuer or any other person liable for the Indebtedness or benefit or share any payment from or in composition with the Issuer or any other person liable for the Indebtedness;
- 4.2. Subject to the overriding provisions of the Base Prospectus until the Indebtedness has been paid in full the Guarantor further agrees that:
- (a) if an Event of Default under the Base Prospectus occurs, any sums which may be received by it from the Issuer or any person liable for the Indebtedness shall be held by it on trust exclusively for the Security Trustee and shall be paid to the Security Trustee immediately upon demand in writing or immediately after its receipt if such obligation arises from the documents executed by the Issuer in connection with the Base Prospectus;
  - (b) all rights of relief and subrogation arising in favour of the Guarantor upon a partial payment to the Security Trustee against the Issuer and any other person who may be liable for the Indebtedness, shall be suspended;
  - (c) the Security Trustee may and shall receive and retain the whole of the liquidation dividends to the exclusion of the rights (if any) of the Guarantor in competition with the Security Trustee and pursuant to the above the Security Trustee is entitled to hold all payments made by the Guarantor or the Issuer on account of the Indebtedness in suspense for a period of six months from the date of payment and any such payments on account shall not be applied in reduction of the Indebtedness for a period of six months as stated. The Security Trustee may accordingly prove for the whole Indebtedness of the Issuer in liquidation after excluding any and all payments made within a period of six months prior to the liquidation of the Issuer;
  - (d) the Security Trustee shall not be required to exhaust any remedy or remedies it may have against the Issuer or other persons who may be liable for the Indebtedness for the settlement of all the Indebtedness before claiming against the Guarantor under this Guarantee which is to be construed as entirely independent from the relationship between the Security Trustee and the Issuer and providing immediate recourse against the Guarantor under this Guarantee. The Guarantor hereby waives any benefit of discussion or division which may be available under any applicable law.

## **5. SETTLEMENTS CONDITIONAL**

Any release, discharge or settlement between the Guarantor and the Security Trustee shall be conditional upon no security, disposition or payment to the Security Trustee by the Issuer or the Guarantor or any other third party liable to being void or set aside for any reason whatsoever and if, for any reason whatsoever, this condition is not fulfilled, such release, discharge or settlement shall be of no effect whatsoever and this Guarantee shall again come into force for all effects and purposes of law.

## **6. ADDITIONAL GUARANTEE**

This Guarantee is to be construed as being in addition to and in no way prejudicing any other securities or guarantees which the Security Trustee may now or hereafter hold from or on account of the Issuer and is to be binding on the Guarantor as a continuing Guarantee until full and final settlement of all the Issuer's indebtedness towards the Security Trustee. Moreover, the remedies provided in this Guarantee are cumulative and are not exclusive of any remedies provided by law.

## **7. BENEFIT OF THIS GUARANTEE AND NO ASSIGNMENT**

- 7.1. This Guarantee is to be immediately binding upon the Guarantor for the benefit of the Security Trustee and the liability hereunder is not subject to any conditions as to additional security being received by the Security Trustee or otherwise.
- 7.2. The Guarantor shall not be entitled to assign or transfer any of its obligations under this same Guarantee.

## **8. REPRESENTATIONS AND WARRANTIES**

- 8.1. The Guarantor represents and warrants: -
  - (a) that it is duly incorporated and validly existing under the laws of Malta and has the power to carry on its business;
  - (b) that it has power to grant this Guarantee and that this Guarantee is duly authorised and all corporate action has been taken by the Guarantor in accordance with its deeds of constitution and the laws of its incorporation and regulation;
  - (c) that this Guarantee constitutes and contains valid and legally binding obligations of the Guarantor enforceable in accordance with its terms;
  - (d) that this Guarantee does not and will not constitute default with respect to or run counter to any law, by-law, articles of incorporation, statute, rule, regulation, judgement, decree or permit to which the Guarantor is or may be subject; or any agreement or other instrument to which the Guarantor is a party or is subject or by which it or any of its property is bound;
  - (e) that this Guarantee shall not result in or cause the creation or imposition of or oblige the Guarantor to create any encumbrance on any of that Guarantor's undertakings, assets, rights or revenues;



- (f) that it is in no way engaged in any litigation, arbitration or administrative proceeding of a material nature and nor is it threatened with any such procedures;
  - (g) that the obligations binding it under this Guarantee rank at least pari passu with all other present and future unsecured indebtedness of the Guarantor with the exception of any obligations which are mandatorily preferred by law;
  - (h) that it is not in breach of or in default under any agreement relating to indebtedness to which it is a party or by which it may be bound nor has any default occurred in its regard;
  - (i) that all the information, verbal or otherwise tendered in connection with the negotiation and preparation of this Guarantee is accurate and true and there has been no omission of any material facts;
  - (j) that the granting of this Guarantee is in the commercial interest of the Guarantor and that the Guarantor acknowledges that it is deriving commercial benefit therefrom.
- 8.2. As from the date of this Guarantee, until such time as the Indebtedness is paid in full to the Security Trustee, and for as long as this Guarantee shall remain in force, the Guarantor shall hold true, good, and valid all the representations and warranties given under this clause, except for representations and warranties in limbs (f) and (h) which are given only as at the date of this Guarantee.

## **9. DEMANDS AND PAYMENTS**

- 9.1. All the Indebtedness shall be due by the Guarantor under this Guarantee as a debt, certain, liquidated, and due on the seventh day following the Security Trustee's first written demand to the Guarantor to pay. All demands shall be sent to the address or facsimile or other numbers as are stated below in Article 11 as the same may be changed by notice in writing by one party to the other.

The demand shall be accompanied by a statement by the Security Trustee confirming that to the best of its knowledge there exist, at the time of the demand, circumstances which constitute an Event of Default or such that may render the underlying obligations of the Issuer to the Security Trustee invalid and unenforceable for any reason whatsoever.

It is expressly agreed that the requirement of such statement is not a condition of liability of the Guarantor under this Guarantee and is entirely without prejudice to the on-demand nature of this Guarantee. Any disagreement by the Guarantor as to the contents of the statement shall not entitle the Guarantor to delay or interrupt the payment of the sum due under this Guarantee for any reason whatsoever.

- 9.2. The statement by the Security Trustee of the amount due under this Guarantee shall be binding on the Guarantor and shall be conclusive evidence of the sum due, saving only manifest error.
- 9.3. All payments shall be made to the Security Trustee without any withholding for taxes (and in so far as this obligation exists under any law the payment shall be grossed up by the amount of withholding) and without set-off for any amounts which may be then owing to the Guarantor by the Issuer or the Security Trustee. The Guarantor authorises the Security Trustee to apply any credit balance the Guarantor may have with the Security Trustee towards the satisfaction of the Indebtedness. The Security Trustee shall notify the Guarantor forthwith of the exercise of this right giving full details relating thereto.

## **10. NOTICES**

- 10.1. Any notice required to be given by any party hereto to the other party shall be deemed to have been validly served if delivered by hand or sent by pre-paid registered letter through the post or by facsimile to such other party at his address given herein or such other address as may from time to time be notified to the other party for this purpose and any notice so served shall be deemed to have been served, if delivered by hand, at the time of delivery, or if by post, seven days after posting and if by facsimile, at the time of transmission of the facsimile.
- 10.2. For the purposes of this Guarantee, the proper addresses and facsimile numbers of the parties are:

### **ACMUS Properties Limited**

**Address: Hyatt Centric Malta, Triq Santu Wistin, San Giljan SWQ 3312, Malta**

**Tel. No.: 22586260**

**Contact Person: Adrian Muscat**

### **Equinox International Limited**

**Address: Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta**

**Tel. No.: 21238989**

**Contact Person: Louis de Gabriele / Donald Vella**

Provided that each party may at any time change such address or telefax number by giving seven days' prior written notice to the other party. Every notice, request, demand, letter, or other communication hereunder shall be in writing and shall be delivered by hand or by post or through any other communication methods including telex, telefax or otherwise and shall be deemed to be received in case of post within seven days of dispatch or in case of other methods immediately upon confirmed transmission.

## **11. APPLICABLE LAW AND JURISDICTION**

- 11.1. This Guarantee shall be governed by and construed in accordance with Maltese law.
- 11.2. The courts of Malta shall have exclusive jurisdiction with respect to any dispute, controversy or claim arising out of or relating to this Guarantee.

## Signature Page

Yours faithfully,

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Name: Adrian Muscat  
duly authorised, for and on behalf of  
**ACMUS Properties Limited**

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Name: Cliona Muscat  
duly authorised, for and on behalf of  
**ACMUS Properties Limited**

Yours faithfully,

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Name: Adrian Muscat  
duly authorised, for and on behalf of  
**ACMUS P.L.C.**

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Name: Cliona Muscat  
duly authorised, for and on behalf of  
**ACMUS P.L.C.**

WE ACCEPT

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Name: Louis de Gabriele  
duly authorised, for and on behalf of  
**Equinox International Limited**

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Name: Donald Vella  
duly authorised, for and on behalf of  
**Equinox International Limited**



# **Schedule C – Pledge Agreement**

**DATED [-]**

**ACMUS Properties Limited**  
(Pledgor)

and

**Equinox International Limited**  
(the Pledgee)

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**PLEDGE OF INSURANCE POLICIES AGREEMENT**

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**A PLEDGE AGREEMENT** effective as of [-] (the “**Agreement**”)

**BETWEEN:**

- (1) ACMUS Properties Limited**, a private limited liability company registered under the laws of Malta with company registration number C 111221 and having its registered office at Hyatt Centric Malta, Triq Santu Wistin, San Giljan, SWQ 3312, Malta (hereinafter referred to as the “**Pledgor**”); and
- (2) Equinox International Limited**, a limited liability company registered and incorporated under the laws of Malta, bearing company registration number C 29674 and having its registered office at Level 3, Valletta Buildings, South Street, Valletta, VLT 1103, Malta, in its capacity as security trustee for the Bondholders (as defined hereunder) (hereinafter referred to as the “**Pledgee**” or the “**Security Trustee**”).

(each a “**Party**” and together, collectively, referred to as the “**Parties**”)

**WHEREAS:**

- A. The Pledgor, in order to secure the Secured Obligations (as defined hereunder) has agreed to pledge in favour of the Pledgee all its rights, title and interest in and to all proceeds of the Insurance Policies (as defined hereunder) specified or referred to in this Agreement and under the terms and conditions thereof.
- B. The Parties are, therefore, entering into this Agreement so as to establish and regulate in detail the terms and conditions under which the Pledge (as defined hereunder) of the Insurance Policies shall take place and under which the release of such Pledge shall be effected.

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

**1. DEFINITIONS**

- 1.1. Terms defined above have the same meaning when used in this Agreement.
- 1.2. Unless otherwise defined herein or a contrary indication appears, words defined in the Finance Documents (as defined hereunder) shall have the same meanings in this Agreement.
- 1.3. In addition to the definitions contained in various provisions of this Agreement, the following words shall, unless the context otherwise requires have the meanings assigned to them hereunder:

**Base Prospectus**

means the base prospectus dated [-] issued by the Issuer in connection with a secured bond programme of up to



	€23,000,000 secured bonds;
<b>Bonds</b>	means the secured bonds of a maximum of €23,000,000 to be issued by the Issuer in terms of the Base Prospectus;
<b>Bondholder</b>	means a holder of Bonds whose name and other details are registered from time to time in the register of Bondholders at the CSD;
<b>Encumbrance</b>	includes a pledge, hypothec, privilege, charge mortgage, security transfer of title, retention of title, security assignment, pledge arrangement, guarantee, trust arrangement any other security interest or encumbrance whatsoever;
<b>Event of Default</b>	means: <ul style="list-style-type: none"> <li>i. an event of default in terms of Clause 11 of the Trust Deed; and, or</li> <li>ii. the failure of the Issuer to satisfy any of its obligations in terms of the Finance Documents; and, or</li> <li>iii. the failure of the Guarantor to satisfy any of its obligations in terms of the Finance Documents;</li> </ul>
<b>Finance Documents</b>	means, collectively, the Base Prospectus, the Trust Deed, the Guarantee and any security documentation securing the obligations of the Issuer and, or the Guarantor in terms of the Bonds, as may be amended from time to time;
<b>Guarantee</b>	means the joint and several guarantee dated [-] entered into by and between the Guarantor, the Issuer and the Security Trustee;
<b>Guarantor</b>	means the Pledgor;
<b>Insurance Policy/ies</b>	means each insurance policy, copies of which are set out in Schedule 1 to this Agreement, as any such policy may be amended, varied, supplemented, replaced or extended from time to time;
<b>Insurer</b>	means [-];
<b>Issuer</b>	means ACMUS p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 111213 and having its registered address at Hyatt Centric Malta, Triq Santu Wistin, San Giljan, SWQ 3312, Malta;

<b>Pledge</b>	means the pledge over the rights, title and interest in and to all proceeds of the Insurance Policy/ies as created under this Agreement;
<b>Secured Obligations</b>	means all present and future obligations at any time due, owing or incurred by the Issuer and, or the Guarantor (in its capacity as guarantor) under the Finance Documents; and
<b>Trust Deed</b>	means the trust deed dated [-] entered into by and between the Guarantor, the Issuer and the Security Trustee acting for the benefit of the Bondholders.

## **2. INTERPRETATION**

- 2.1. The words “including” or “in particular” are to be construed as being by way of illustration or emphasis only and are not to be construed as, nor shall they take effect as, limiting the generality of any preceding words.
- 2.2. Unless expressly provided otherwise, any reference in this Agreement to a Clause or a Schedule or Annex is meant to be a reference to a Clause or a Schedule or Annex hereof and references to this Agreement include its Schedules and Annexes.
- 2.3. Unless the context requires otherwise, references to provisions of any law or regulation shall be construed as references to those provisions as replaced, amended, modified or re-enacted from time to time.
- 2.4. Words importing the singular include the plural and *vice versa* and words importing a gender include every gender; reference to a person includes any individual, trust, fund, partnership, company or body corporate.
- 2.5. Clause headings are inserted for reference only and shall be ignored in construing this Agreement.

## **3. PROVISION OF PLEDGE**

- 3.1. The Pledgor hereby pledges all its rights, title and interest in and claims to all proceeds of the Insurance Policies in favour of the Pledgee, as a continuing security for the due and punctual performance of the Secured Obligations.
- 3.2. It is expressly agreed that this Pledge is being granted to the Pledgee as additional security for the performance of the Secured Obligations and shall not affect or in any way diminish or prejudice any other security, right or remedy of the Pledgee under the Finance Documents.

- 3.3. The Parties shall simultaneously with the execution of this Agreement, deliver a notice to the Insurer, in the form of the letter attached hereto and marked as Schedule 2, whereby they shall notify the Insurer that the Insurance Policy/ies have been pledged in favour of the Pledgee as at the date of this Agreement.
- 3.4. The Pledgor shall procure the delivery to the Pledgee, within fifteen (15) days from the date of the delivery of the notice specified in Clause 3.3 above, of an acknowledgment in writing, in the form of the letter attached hereto and marked as Schedule 3, by the Insurer, who shall acknowledge that the Insurance Policy/ies have been pledged in favour of the Pledgee as at the date of this Agreement.
- 3.5. The Pledgee shall not be liable for the performance of any of the Pledgor's obligations towards the Insurer in accordance with the Insurance Policy/ies, including the payment of any premium, and the Pledgor shall indemnify the Pledgee for all cost, losses or expenses incurred in relation to a claim made by the Insurer against the Pledgee in relation to such obligations.
- 3.6. In case of default by the Pledgor in the performance of any of their covenants in relation to the said Insurance Policy/ies it shall be lawful for, but not obligatory upon, the Pledgee to do whatever may be necessary to make good such default, including the payment of premia by the debit of any account which the Pledgor may have with the Pledgee, and that any moneys expended by the Pledgee in that behalf with interest at the rate not exceeding the legal limit in Malta shall be repaid by the Pledgor on demand by the Pledgee and in the meantime shall together with such interest as aforesaid be a charge on the Insurance Policy/ies for the time being subject to this security.

#### **4. SECURED OBLIGATIONS**

- 4.1. The Pledge secures the Secured Obligations together with all accruing interest and all losses, costs, charges and expenses incurred by the Pledgee in connection with the protection, preservation or enforcement of, or in connection with the taking of such measures calculated to protect, preserve or enforce, its rights under the Finance Documents.

#### **5. USE OF PROCEEDS**

- 5.1. The Pledgee shall enjoy all the rights of the Pledgor to: receive notices under the Insurance Policy; to receive any proceeds of the Insurance Policy, when due, on maturity or earlier surrender; and to exercise all options of the Pledgor under the Insurance Policy, PROVIDED THAT it is agreed and understood that the right of the Pledgee to receive any proceeds of the Insurance Policy when due under the Insurance Policy shall not apply unless and until an Event of Default has occurred and the Pledgee has given written notice thereof to the Pledgor.

#### **6. REALISATION OF PLEDGE**



- 6.1. Without prejudice to the right of the Pledgee to apply for the judicial sale of the Insurance Policy/ies and upon the occurrence of an Event of Default, the Pledgee shall be entitled to, upon giving notice by judicial act to the Pledgor and the Insurer:
  - 6.1.1. dispose of the Insurance Policy/ies to a third party; or
  - 6.1.2. appropriate and acquire the Insurance Policy/ies, in settlement of the Secured Obligations or part thereof, or at the best achievable price being not less than the fair value; or
  - 6.1.3. request the surrender of the Insurance Policy/ies and the receipt of the surrender value.
- 6.2. For the purpose of Clauses 6.1.1 and 6.1.2 above, the value of the Insurance Policy/ies shall be established by agreement between the Pledgor and the Pledgee after a notice of default has been given by the Pledgor to the Pledgee; Provided that, in case of disagreement, the fair value for the sale or appropriation of the policy shall be determined in the following manner:
  - 6.2.1. by a certified public accountant appointed by a court or an arbitrator, if so agreed by the Parties, on the application of the Pledgee; or
  - 6.2.2. in such other manner as may be expressly agreed between the Parties.

Provided that if the fair value cannot be obtained in the manner outlined above, the Pledgee may apply to the court or an arbitrator for approval for a sale or appropriation at a price which is less than the fair value as aforesaid, subject to such conditions as the court or arbitrator may determine.
- 6.3. The value of the Insurance Policy/ies shall be that obtaining on the date of the proposed acquisition or sale as applicable.
- 6.4. The net proceeds (namely, the proceeds less any taxes, fees, costs and expenses) resulting from the realisation of all or part of the Pledge shall be applied by the Pledgee in discharge of the Secured Obligations.
- 6.5. The Pledgee shall be entitled to retain from any amounts received as aforesaid such amount as is sufficient to satisfy the Secured Obligations and shall pay any balance remaining thereafter to the Pledgor.
- 6.6. For the purpose of realising the Pledge, the Pledgor shall, upon the Pledgee's request, promptly furnish the Pledgee with all relevant documents, and shall render all assistance which is necessary or expedient in respect of the realisation of the Pledge.
- 6.7. If the Pledgee decides not to realise the Pledge over all of the Insurance Policy/ies, it shall be entitled to determine, at its sole discretion, in respect of which Insurance Policy/ies the Pledge shall be realised.

- 6.8. Without prejudice to the other provisions of this Clause 6, the Pledgee shall at its sole discretion, also be entitled to request the Pledgor to assign or subrogate any one or all of the Insurance Policy/ies to it and in this event, the Pledgor shall use reasonable endeavours to procure that the Insurer shall give its authorisation and consent if and to the extent required by applicable law or contract between the Pledgor and the Insurer.

## **7. SUSPENSE ACCOUNT**

- 7.1. All proceeds of the Insurance Policy/ies received by the Pledgee under this Agreement, may be held in a separate suspense account until the Pledgee may reasonably think fit and which shall be discharged against the Secured Obligations.
- 7.2. Any money credited to a suspense account shall be deemed to carry interest from the date of payment into the suspense account at the following rate or rates:
- 7.2.1. If and to the extent that the money is used in or towards discharge of the Secured Obligations, at the rate or rates applicable from time to time to the Secured Obligations which it discharges; or
- 7.2.2. If and to the extent that the money is not used in or towards discharge of the Secured Obligations, and is later returned to the Pledgor, at the rate paid by the Pledgee on normal savings accounts.

## **8. WAIVER**

- 8.1. No failure or delay by the Pledgee in exercising any right, power or remedy hereunder shall impair such right, power or remedy or operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and do not exclude any other rights, powers and remedies provided by the Finance Documents, by law or otherwise.

## **9. RELEASE OF PLEDGE**

- 9.1. Upon full, unconditional and final settlement of all Secured Obligations, the Pledgee shall at the cost and expense of the Pledgor, confirm to the Pledgor in writing the release of the Pledge and do everything necessary to effect that release.
- 9.2. For the purpose of Clause 9.1 the Secured Obligations shall be deemed to be discharged in full and final settlement upon the expiry of any applicable clawback period in accordance with applicable law, within which any payment made to discharge the Secured Obligations in accordance with the Finance Documents may be declared as a preference in accordance with applicable law.

## **10. DURATION AND INDEPENDENCE**

- 10.1. Without prejudice to Clause 9, the Pledge shall not expire before and unless all Secured Obligations have been fully, unconditionally and finally discharged and there is no amount

outstanding under the Secured Obligations, whether for principal, interest, fees, discounts or other costs, expenses, charges or otherwise.

- 10.2. The Pledge shall provide a continuing security and, to the largest extent possible under applicable law, no change or amendment whatsoever in and to the Secured Obligations and to any document relating to the Secured Obligations, shall affect the validity and enforceability of this Agreement nor shall it limit the obligations imposed on the Pledgor hereunder.

## **11. REPRESENTATIONS AND WARRANTIES**

- 11.1. The Pledgor represents and warrants to the Pledgee that at the date of this Agreement:

- 11.1.1. the information provided in this Agreement relating to the Insurance Policy/ies is accurate and complete in all respects and does not omit any information which, if disclosed, would make that information untrue or misleading;
- 11.1.2. the Pledgor is and shall remain the policyholder and the beneficiary of the Insurance Policy/ies;
- 11.1.3. the Insurance Policy/ies are in full force and effect and are free from any Encumbrances and other third party rights;
- 11.1.4. all premiums and other moneys payable in respect of each Insurance Policy/ies have been duly and promptly paid in full;
- 11.1.5. none of the Pledgor's assets are affected by or the subject of a precautionary or executive warrant of seizure issued by the courts in Malta;
- 11.1.6. the Pledge provided to the Pledgee shall have (upon execution of this Agreement) first-ranking priority;
- 11.1.7. the Pledgor is a limited liability company duly registered, incorporated and validly existing under the laws of its jurisdiction of registration and/or incorporation and it has the power to own its assets and carry on its business as it is being conducted;
- 11.1.8. the Pledgor has the power and authority to provide the Pledge and to enter into, perform and execute this Agreement and all authorisations, regulatory approvals and third party consents required or advisable in connection with the entry into, performance, validity and enforceability of the Pledge have been obtained or effected and are in full force and effect;
- 11.1.9. the entry into and performance by it of, and the transactions contemplated by, the Pledge does not and shall not:
  - (i) conflict with any law or regulation or judicial or official order;



- (ii) conflict with the constitutional documents of the said Pledgor; and
  - (iii) conflict with any document which is binding upon it or any of its assets;
- 11.1.10. the Pledge constituted hereunder is valid and enforceable; and
- 11.1.11. the Pledgor is not unable to pay its debts, involved in any company recovery proceedings, or dissolved or being wound up (whether voluntarily or by order of the court) in terms of the Companies Act (Chapter 386 of the laws of Malta).

## **12. UNDERTAKINGS OF THE PLEDGOR**

### **12.1. The Pledgor undertakes:**

- 12.1.1. to provide (and to instruct the Insurer to provide) the Pledgee with all information, evidence and documentation which the Pledgee may reasonably request in connection with the administration and realisation of Insurance Policy/ies. The Pledgee is hereby authorised to obtain all information and documents (including statements and other information on the current status of the Insurance Policy/ies) directly from the Insurer in its own name and at the Pledgor's cost and expense, and the Pledgee and their representatives are permitted to inspect, audit and make copies of and extracts from all records and all other documents in the possession of the Pledgor which pertain to the Pledge;
- 12.1.2. at the request of the Pledgee, to promptly pledge (under a pledge agreement substantially in the form of this Agreement and governed by Maltese law) any insurance policy/ies which are obtained following the date of this Agreement;
- 12.1.3. to promptly inform the Pledgee should any of the representations and warranties expressed in Clause 11 above, become incorrect after the date of this Agreement;
- 12.1.4. not to assign or transfer the Insurance Policy/ies and any rights attached thereto to any third parties;
- 12.1.5. not to do any act or commit any default which would render the Insurance Policy/ies void or voidable or which would cause any increase in the premium payable under the Insurance Policy/ies or which would hinder the Pledgee from receiving any money under the Insurance Policy/ies;
- 12.1.6. not to create or permit to subsist any Encumbrances over any part of the Insurance Policy/ies, or knowingly do or permit to be done, anything which might reasonably be expected to depreciate, jeopardise or otherwise directly or indirectly prejudice the existence, validity or ranking of the Pledge;
- 12.1.7. to inform the Pledgee immediately should any Insurance Policy become void or unenforceable and in such case the Pledgor will forthwith at its own cost effect

a new insurance policy *in lieu* thereof in such manner as the Pledgee may require and with such assurance/ insurance/ society company as the Pledgee shall approve in an equivalent to the sum which was assured or insured by the Insurance Policy which shall have become void or unenforceable, including any bonus or bonuses which may have been declared thereon (where applicable) and every such new or substituted insurance policy or policies shall be promptly pledged in favour of the Pledgee under a pledge agreement substantially in the form of this Agreement and governed by Maltese law;

- 12.1.8. to pay all premiums and other moneys due and payable to the Insurer in respect of each Insurance Policy when due. In this respect, the Pledgor will deliver to the Pledgee the receipt for such payments within seven (7) days after payment;
- 12.1.9. to do all things necessary to maintain each Insurance Policy in full force and effect and renew each Insurance Policy as and when it falls due for renewal;
- 12.1.10. to warrant and to defend its right, title and interest in the Pledge and that of the Pledgee under this Agreement against the claims, demands and pretensions of all persons whomsoever;
- 12.1.11. to inform the Pledgee promptly upon gaining knowledge of any seizure by third parties that relates or may relate to the Pledge or any other third-party measures which may impair or jeopardise the Pledge. In the event of any such measures, the Pledgor shall provide the Pledgee with the order of seizure and any document which the Pledgee may request that are necessary or expedient for a defence against such seizure or measures. In addition, the Pledgor shall inform the third party promptly in writing of the Pledge and render the Pledgee all assistance required or expedient to protect their Pledge;
- 12.1.12. at their own expense, to execute and do all such assurances, acts and things as the Pledgee may reasonably require:
  - (i) for perfecting or protecting the security under this Agreement;
  - (ii) in the case of enforcement of security, to facilitate the realisation of all or any part of the Pledge which is subject to this Agreement and the exercise of all powers, authorities and discretions vested in the Pledgee; and
  - (iii) to execute all transfers, conveyances, assignments and releases whether to the Pledgee or to its nominees and give all notices, orders and directions which the Pledgee may reasonably think expedient.

### **13. NEGLIGENCE IN REALISATIONS**

- 13.1. This Agreement shall not be affected by any neglect on the part of the Pledgee, or by any receiver appointed by the Pledgee, in connection with the realisation of any other security (whether by way of hypothec, privilege, pledge, guarantee, or otherwise) which the Pledgee may hold now, or at a time in the future, for the Secured Obligations.

#### **14. CONCLUSIVE CERTIFICATES**

- 14.1. A certificate issued by an officer employed by the Pledgee, regarding the amount for the time being of the Secured Obligations, shall (apart from obvious mistakes) be for all purposes conclusive against the Pledgor.
- 14.2. Any admission or acknowledgment in writing by the Pledgor, or any judgment or award obtained against the Pledgor as to the amount for the time being of the Secured Obligations or as to any or all of the Secured Obligations shall be for all purposes conclusive against the Pledgor.

#### **15. COST AND EXPENSE**

- 15.1. The Pledgor shall be bound from time to time forthwith on demand to pay to or reimburse the Pledgee for all costs, taxes, charges and expenses (including legal and other fees on a full indemnity basis and all other out-of-pocket expenses) incurred by the Pledgee in exercising or taking such measures calculated to exercise any of their rights or powers hereunder or in suing for or seeking to recover any sums due hereunder or otherwise preserving or enforcing or taking such measures calculated to preserve or enforce its rights hereunder or in defending any claims brought against it in respect of this Agreement or in terminating and releasing the Pledge upon performance and satisfaction of all Secured Obligations and payment of all monies hereby secured, and, until payment of the same in full, all such costs, taxes, charges and expenses as aforesaid shall be secured by this Agreement and shall be deemed to form part of the Secured Obligations for all intents and purposes of this Agreement.

#### **16. POWER OF ATTORNEY**

- 16.1. The Pledgor hereby irrevocably and unconditionally appoints and authorises the Pledgee, who declares an interest in this mandate and accepts the same as part of its security, as its attorney (with full power of substitution) and in its name or otherwise on its behalf to sign, seal, execute, deliver, perfect and do all agreements, instruments, acts and things which may be required or which the Pledgee shall reasonably think proper or expedient for carrying out any obligations imposed on the Pledgor hereunder or for exercising and giving effect to any of the powers hereby conferred or for giving to the Pledgee the full benefit of the security constituted hereunder and so that the appointment hereby made shall operate to confer on the Pledgee authority to do on behalf of the Pledgor anything which they may lawfully do as an attorney. The Pledgor ratifies and confirms and agrees to ratify and confirm any agreement, instrument, act or thing which such attorney or substitute may execute or do.
- 16.2. Without prejudice to any other authorisations given under any other provision of this Agreement or any of the Finance Documents, it is agreed by the Parties that the powers

granted by Clause 16.1 shall only be exercised after the occurrence of an Event of Default or a breach by the Pledgor of any of its obligations hereunder has taken place and the Pledgee has given notice thereof to the Pledgor.

## **17. NOTICES**

17.1. Any demand, notice or proceeding under this Agreement may be served:

17.1.1. By letter, sent by post to, the address or registered office of the Parties and if sent by post, it will be deemed to have been served at the time it would, in the ordinary course of post be delivered; or

17.1.2. By fax or other electronic means to the last known fax number or electronic mail address of the Parties and it will be deemed to have been served at the time of transmission.

17.2. Any demand or notice may be served by any manager or officer employed by the Pledgee.

## **18. DISCLOSURE OF INFORMATION**

18.1. The Pledgor consents to the disclosure by the Pledgee of any information about the Pledgor, this Agreement or the Secured Obligations to:

18.1.1. Any person to whom the Pledgee proposes to sell, assign or transfer, or has sold, assigned or transferred, all or any of its rights, benefits and obligations under this Agreement or Finance Documents;

18.1.2. Any person with whom the Pledgee proposes to enter, or has entered, into any arrangements in respect of this Agreement or the Finance Documents; and

18.1.3. Any other person, if required or permitted by law to do so.

## **19. TRANSFER OF RIGHTS**

19.1. The Pledgee may sell, assign or transfer its rights, benefits and obligations under this Agreement to anyone at any time.

19.2. The Pledgor may not sell, assign or transfer its rights, benefits and obligations under this Agreement to anyone without the prior written consent of the Pledgee.

19.3. If the Pledgee sells, assigns or transfers any or all of its rights, benefits and obligations, the Pledgor's rights, benefits and obligations under this Agreement will remain unaltered. However, the Pledgor will be bound to any person or organisation to whom the Pledgee sells, assigns or transfers. That person or organisation will have the Pledgee's powers and rights, benefits and obligations so far as these are sold, assigned or transferred. The Pledgee will be released automatically from its obligations to the Pledgor in so far as the Pledgee's obligations are assumed by that person or organisation.



## **20. GOVERNING LAW AND JURISDICTION**

- 20.1. This Agreement shall be governed by and construed in accordance with the laws of Malta.
- 20.2. For any disputes arising out of or in connection with this Agreement the courts of Malta shall have jurisdiction.

## **21. LIABILITY AND INDEMNIFICATION**

- 21.1. The Pledgee shall not be liable for any loss or damage suffered by the Pledgor, save in respect of such loss or damage which is suffered as a result of any negligence, gross negligence or wilful misconduct on the part of the Pledgee.
- 21.2. The Pledgor shall at all times indemnify and hold harmless the Pledgee and keep the Pledgee or its attorneys, employees, managers, agents or other persons appointed by the Pledgee under this Agreement indemnified against any losses, actions, claims, expenses, demands and liabilities which may be incurred by or made against the Pledgee for any action or omission in the exercise of the powers contained herein and occasioned by any breach by the Pledgor of any of its obligations or undertakings herein contained or in any of the Finance Documents, other than to the extent that such losses, actions, claims, expenses, demands and liabilities are incurred by or made against the Pledgee as a result of the negligence, gross negligence or wilful misconduct of the Pledgee.
- 21.3. The Pledgee may retain and pay out of any money in the Pledgee's hands all sums necessary to effect the indemnity contained in this Clause 21 and all sums payable by the Pledgor under this Clause 21 shall be secured by this Agreement and shall be deemed to form part of the Pledge and deemed to form part of the Secured Obligations for all intents and purposes of this Agreement.

## **22. AMENDMENTS**

- 22.1. Any amendment to, or modification of, this Agreement, shall be effective only if made in writing and agreed to by all the Parties.

## **23. SCHEDULES**

- 23.1. All Schedules and Annexes to this Agreement shall form an integral part hereof.

## **24. SEVERABILITY**

- 24.1. Should any provision of this Agreement be or become invalid or unenforceable, or should this Agreement be accidentally incomplete or become incomplete, this shall not affect the validity or enforceability of the remaining provisions hereof. In lieu of the invalid or unenforceable provision or in order to remedy any incompleteness, a provision shall apply which comes as close as possible to that which the Parties had intended or would have intended if they had considered the matter. In the event that any Pledge provided under this Agreement shall be impaired or be or become invalid or unenforceable this shall not affect the validity or enforceability of any other Pledge provided under this Agreement.

**25. ENTIRE AGREEMENT**

- 25.1. This Agreement supersedes all prior negotiations, commitments, undertakings and writings pertaining to the subject matter of this Agreement and constitutes the entire understanding between the Parties.

**26. COUNTERPARTS**

- 26.1. This Agreement may be executed in any number of counterparts and by the different parties to this Agreement on separate counterparts, each of which when executed and delivered shall be an original but all the counterparts shall together constitute one and the same instrument.

*Signature page to follow*

**Signature Page**

**IN WITNESS** whereof this Agreement has been executed by or on behalf of the Parties hereto and is intended to be and is hereby delivered on the day and year first above written.

---

Name: Adrian Muscat  
For and on behalf of  
**ACMUS Properties Limited**  
**(C 111221)**

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Name: Cliona Muscat  
For and on behalf of  
**ACMUS Properties Limited**  
**(C 111221)**

---

Name: Louis de Gabriele  
For and on behalf of  
**Equinox International Limited**  
**(C 29674)**

---

Name: Donald Vella  
For and on behalf of  
**Equinox International Limited**  
**(C 29674)**

**SCHEDULE 1**

**INSURANCE POLICY/IES AND INSURER**



## SCHEDULE 2

### NOTICE OF PLEDGE TO ASSURANCE/INSURANCE COMPANY

Our Ref:

Date: \_\_\_\_\_

Dear Sirs,

Insured: ("Policy Holder")  
Insurance Co: ("Insurance Company")  
Policy Number/s: ("Policy/ies")

We, the undersigned, for and on behalf of Equinox International Limited (C 29674) (the "**Security Trustee**"), hereby give you notice that by virtue of a pledge agreement dated \_\_\_\_\_ (a copy of which is attached for your information), the Policy Holder's present and future rights and claims in respect of the Policy/ies and any interest thereon, were pledged as security in favour of the Security Trustee.

We shall be obliged if you will register and acknowledge this notice, by executing the attached acknowledgement, confirming to us at the same time that you have not received notice of any prior pledge over this Policy/ies and that premia on the Policy/ies have been paid to date.

We shall also be obliged to know if, in the event of the renewal premium on the Policy/ies not being paid on the due date, you will at once give us notice of such non-payment and extend time for payment of seven (7) days, in order that we may have an opportunity of communicating with the Policy Holder, or, if we desire to do, of, paying the renewal premium ourselves.

Yours faithfully,

\_\_\_\_\_  
Name: Louis de Gabriele  
For and on behalf of  
**Equinox International Limited**  
**(C 29674)**

\_\_\_\_\_  
Name: Donald Vella  
For and on behalf of  
**Equinox International Limited**  
**(C 29674)**

We hereby authorise the above Insurance Company to provide the Security Trustee with any information it may require from time to time on this policy. Furthermore, upon notification to you by the Security Trustee that an Event of Default (as such term is defined in the Pledge Agreement) has occurred, we will not be allowed, from that date, to make any claim in relation to the Policy unless the Security Trustee instructs you otherwise. Upon the said notification the Security Trustee shall be entitled to be paid all or part of the amounts due or to be due under the Policy.

---

Name: Adrian Muscat  
For and on behalf of  
**ACMUS Properties Limited (C 111221)**

---

Name: Cliona Muscat  
For and on behalf of  
**ACMUS Properties Limited (C 111221)**

**SCHEDULE 3**  
**ACKNOWLEDGMENT IN CONNECTION**  
**WITH INSURANCE POLICY/IES**

To: Equinox International Limited (C 29674)  
(the “**Pledgee**”)

Date: \_\_\_\_\_

**Re: Insurance Policy Number/s:** [\_\_\_\_\_] (the “**Insurance Policy/ies**”)

Dear Sirs,

We refer to the Pledge of Insurance Policies Agreement dated [\_\_\_\_\_] (the “**Pledge Agreement**”).

We hereby acknowledge the pledge of the Insurance Policy/ies specified in Schedule 1 of the Pledge Agreement by the Pledgor in favour of the Pledgee and hereby acknowledge the terms and conditions set out in the Pledge Agreement and confirm our acceptance to the provisions of the Pledge Agreement.

Furthermore, we confirm that there are no prior pledges on the Insurance Policy/ies and that all premia have been paid to date.

Yours sincerely,

\_\_\_\_\_

For and on behalf of