

Heads of Agreement between INDIS Malta Ltd.,
Sport Malta, Lands Authority & Hal Far Model Flying Association.

Heads of Agreement

Between



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Sport Malta, Lands Authority & Hal Far Model Flying Association.

Today, the [^{12th (Tuesday)}] of February, of the year two thousand and twenty-two (2022)
(the "**Effective Date**")

Heads of Agreement ("**HoA**") entered into by and between:

Of the first part, **Indis Malta Ltd. (C28965)** represented hereon by Joseph Attard, Chief Executive Officer, duly authorised, hereinafter referred to as "**INDIS**"

On the second part, **SportMalta** represented hereon by Luciano Busuttil, Chief Executive Officer, duly authorised, hereinafter referred to as "**SM**"

On the third part, **Lands Authority** represented herein by Robert Vella, Chief Executive Officer, duly authorised, hereinafter referred to as "**LA**"

On the fourth part, the Hal Far Model Flying Association represented hereon by Pierre Bonello, President, duly authorised, hereinafter referred to as "**HFMFA**"

Whereas:

- A. **INDIS** is responsible for the management and administration of government owned industrial estates in Malta, including Hal-Far Industrial Estate;
- B. **SM** is a public entity whose objective is to promote and encourage the development of increased participation in sport in Malta;
- C. **LA** is the authority vested with the administration of government land including the disposal thereof;
- D. **HFMFA** is a flying model association located in Hal Far.

Each a "**Party**" and collectively the "**Parties**"

The Parties have agreed to enter into these HoA, as follows:

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1. Scope & Proposed Transactions

- 1.1 The scope of these HoA is to set-out the parameters for the relocation of the HFMFA from its current location at Hal Far Industrial Estate (the "**Estate**"), which location is shown in blue on the attached plan having reference HHF302_M04 and marked as Appendix 'A' (the "**Existing HFMFA Site**") to an alternative site on the outskirts of the Estate as shown in red on the drawing hereto attached having reference HHF302_M05 and marked as Appendix 'B' having an area of circa 44,400m² (the "**Alternative Site**").
- 1.2 The rationale underlying the relocation stems from the fact that the Existing HFMFA Site is in the vicinity of several other sites which are being developed for industrial purposes.
- 1.3 INDIS has identified the Alternative Site which currently forms part of its property portfolio and which is in close proximity to the Natura 2000 site.

2. Proposed Action

- 2.1 HFMFA has agreed to release the Existing HFMFA Site and relocate its activities to the Alternative Site as long as the understandings contained herein are observed by the Parties.
- 2.2 SM currently administers the title of the Existing HFMFA Site which is held by HFMFA in pursuance of the Sports Act (Cap. 455 of the laws of Malta). SM shall procure the release of this title back to the LA upon the issuance of the certificate of practical completion by INDIS to enable the eventual transfer of the Existing HFMFA Site to INDIS.
- 2.3 INDIS currently administers the Alternative Site and will be undertaking the necessary action to release it back to the LA as soon as the necessary permits have been obtained after the Effective Date on the understanding that it will eventually be transferred to SM for allocation to HFMFA:

Provided that in the event that the necessary permit are not obtained by INDIS through a DNO, the land will be immediately released for HFMFA to go forward with a full development application.



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- 2.4 INDIS is willing to provide technical and financial support throughout the lifecycle of the relocation project and has also currently initiated a series of processes to ensure that the Alternative Site is free and unencumbered. INDIS will also be verifying and certifying the works to be carried out on the Alternative Site.
- 2.5 INDIS will be disbursing a maximum sum of three hundred and fifty thousand euro (€350,000) including of VAT (the "**Maximum Relocation Sum**") over a period of one (1) year to be reckoned from date of issuance of the relative development permit, to cover pre-approved and costed relocation works (the "**Relocation Works Cost**"), as well as all costs related to the *perit* to be commissioned by the HFMFA and to the development application to be submitted by HFMFA (the "**Development Permit Costs**"), all in respect of the Alternative Site. No further amount in addition to the Maximum Relocation Sum shall be disbursed by INDIS.
- 2.6 The Maximum Relocation Sum shall be disbursed in tranches upon verification and certification of pre-identified milestones (the "**Milestones**"), such verification and certification to be carried out by INDIS. The Milestones shall be agreed between INDIS and SM or HFMFA, as the case may be, prior to the commencement of the works. The actual relocation sum to be disbursed by INDIS shall be equivalent to the actual cost of pre-approved works that are verified and certified (the "**Actual Relocation Sum**") and shall in no case exceed the Maximum Relocation Sum.
- 2.7 **HFMFA** will commission an architect to compile the necessary permit application/s, including the submission thereof, and to monitor the works. Upon verification and certification of the works by **INDIS**, **INDIS** will disburse to HFMFA the Actual Relocation Sum, up to the Maximum Relocation Sum, in tranches against the achievement of each Milestone.
- 2.8 In pursuance of this HoA, the Parties will respectively deliver the deliverables as detailed hereunder.
- 2.9 The Parties agree to deliver their respective deliverables mentioned hereunder within a time-period of one (1) year from the date of these HoA.



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3. INDIS Deliverables

INDIS shall take all necessary action to procure the release the Alternative Site back to the LA as soon as possible after the Effective Date, free and unencumbered. INDIS shall, upon receipt of all necessary supporting documentation including a copy of the pre-approved works and Milestones, verify and certify the works and the achievement of the Milestones.

INDIS shall also provide means of connectivity to water, drainage and electricity power services in the Alternative Site.

INDIS shall disburse the Actual Relocation Sum in tranches upon verification and certification of the works that signify the achievement of each Milestone, up to the Maximum Relocation Sum and shall not disburse any tranche of the Actual Relocation Sum until such time as a development permit for the works has been issued.

INDIS shall, upon the completion of the works, issue a certificate of completion.

4. SM Deliverables

SM shall, upon the issue of the certificate of practical completion by INDIS, make its best endeavours to procure the release of the Existing HFMFA Site and shall further make its best endeavours to procure its transfer to INDIS by the LA. SM shall also use its best endeavours to procure the transfer, by the LA to SM, of the Alternative Site.

5. LA Deliverables

The LA shall facilitate the release of the Alternative Site by INDIS as soon as possible after the Effective Date. LA shall further facilitate the release by SM of the Existing HFMFA Site:

Provided that the LA shall permit HFMFA to continue to make use of the Existing HFMFA Site in terms of this Agreement until the issue of the certificate of practical completion by INDIS in respect of the Alternative Site. Moreover the LA shall, immediately following the issue of the

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certificate of practical completion by INDIS in respect of the Alternative Site, and in no case later than the lapse of sixty (60) days following the issue of the certificate of practical completion by INDIS in respect of the Alternative Site, take all steps necessary to (i) transfer the Alternative Site to SM and (ii) transfer the Existing HFMFA Site to INDIS.

6. HFMFA Deliverables

HFMFA shall commission an architect to draw up the necessary plans and drawings and submit the necessary application/s for a development permit and shall engage the contractor(s) who will be responsible for the works to be carried out on the Alternative Site. Prior to engaging the contractor(s), HFMFA shall seek INDIS' approval of the works and shall provide INDIS with an estimated cost of works. HFMFA shall also, prior to the commencement of the Works, propose the Milestones for approval by INDIS. HFMFA shall also provide to INDIS all supporting documentation required for the verification and certification of the works and the achievement of Milestones. HFMFA shall provide to INDIS all supporting documentation required to enable payment of the Actual Relocation Cost. No works shall be carried out on the Alternative Site until such time as the development permit in respect of the works issued. HFMFA may continue to occupy and make use of the Existing HFMFA Site until the issue of the certificate of practical completion by INDIS in respect of the Alternative Site:

Provided that HFMFA shall vacate the Existing HFMFA Site within three (3) weeks from the date of issue of the certificate of practical completion by INDIS, provided that all necessary permits have been obtained for the Alternative Site.

7. Assignment

7.1 These HoA shall not be assigned or transferred (nor the performance of any obligations hereunder be sub-contracted) by any Party, unless the prior written approval of the other Parties has been obtained.

8. Implementation



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- 8.1 Each Party shall appoint a representative to ensure the implementation of this HoA.
- 8.2 A monthly report shall be compiled, highlighting any of the Party's proposals and progress, which report is to be notified to INDIS' CEO and the President of the HFMFA at the following addresses:

For Indis Malta Ltd.:

For SPORTMalta:

For Lands Authority:

For Hal Far Model Flying Association:

9. Warranties and Approvals

- 9.1 Each individual executing this HoA on behalf of a Party hereto represents and warrants that they have been fully empowered by such Party to execute this HoA and that all necessary action to authorise its execution by them has been taken by such party.
- 9.2 Each of the Parties warrants and represents to the other that it has full authority, power and capacity to enter into this HoA and that all actions required to enable it to lawfully enter into this HoA have been taken.

10. Duration

- 10.1 These HoA may be amended by mutual consent of authorised officials of the Parties;
- 10.2 These HoA shall become effective on the Effective Date and will remain in effect until modified or terminated by mutual consent;
- 10.3 These HoA shall terminate following the lapse of two (2) years to be reckoned from the Effective Date or upon conclusion of binding

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agreements giving effect to the deliverables set out in this document, whichever is the earlier:

Provided that in the event that the Alternative Site is not transferred to HFMFA or development permission is not obtained this HoA shall terminate immediately upon written notice to the Parties to this effect:

Provided further that in the event that action would be required by the Parties to give effect to changes that will make the relocation possible, the Parties shall negotiate in good faith to realise the objectives of these HoA.

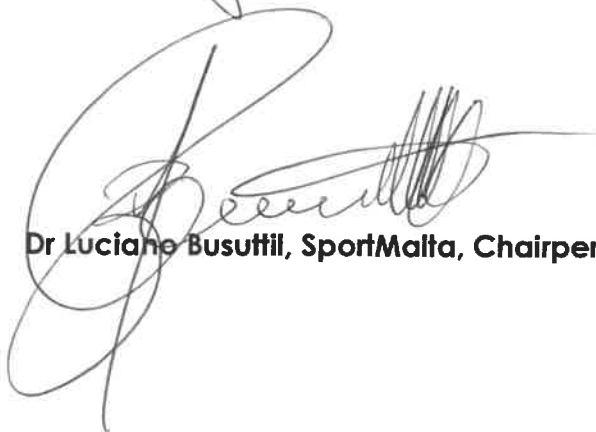
11. Proper Law & Dispute Resoution

11.1 This agreement shall be read and construed in accordance with the laws of Malta.

11.2 The Parties submit to the exclusive jurisdiction of the Courts of the Republic of Malta.



Perit Joseph Attard, INDIS Malta Limited, Chief Executive Officer



Dr Luciano Busuffil, SportMalta, Chairperson



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Mr Robert Vella, Lands Authority, Chief Executive Officer



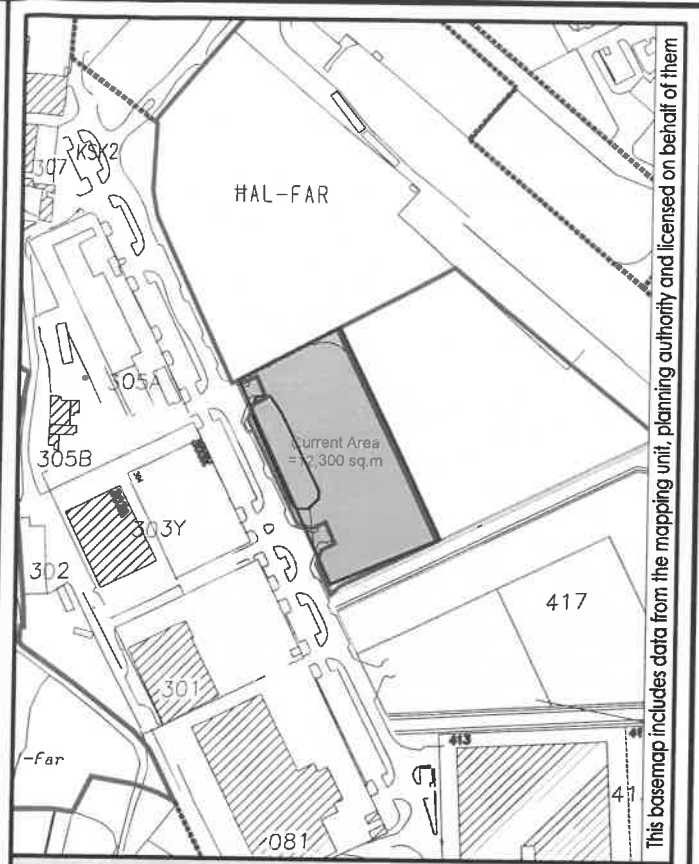
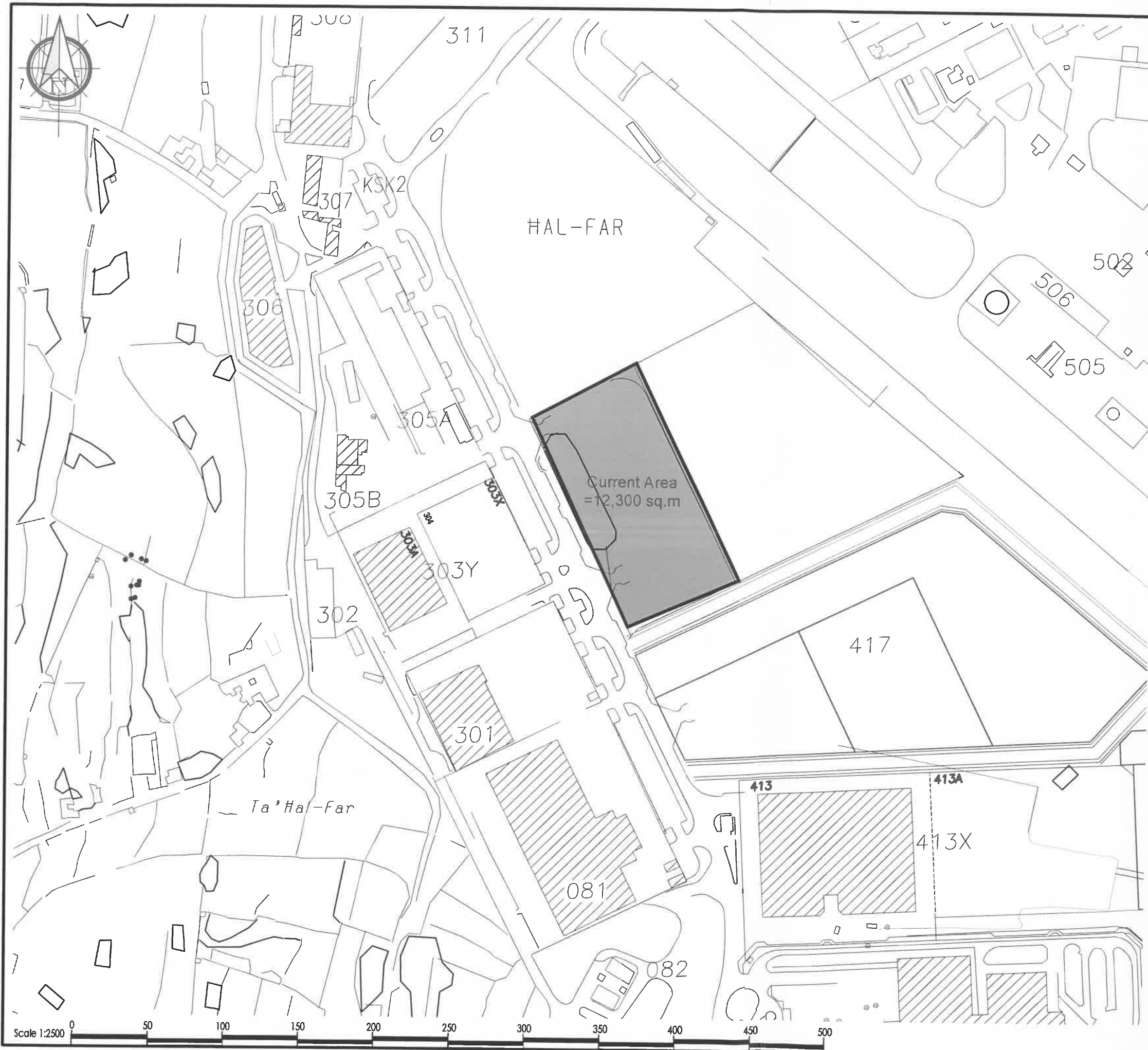
Mr. Pierre Bonello, President, Hal Far Model Flying Association.



Annex 'A'

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This basemap includes data from the mapping unit, planning authority and licensed on behalf of them

SITE PLAN P/O S.S. No.— SCALE:-1:5000

Legend:

- 1.
- 2.
- 3.
- 4.
- 5.

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Date	Rev	Description	Drawn
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

PROJECT TITLE: Flying Model Association			
DRAWING NO: HHF302_M04		DATE: 14.10.21	
CHIEF OFFICER: D.W.	CHIEF TECHNICAL OFFICER: N.A.	C/D:	
LOCATION: Hal Far	ARCH I/C:	DRAWN BY: N.A.	
DRAWING TITLE: Existing Site Location		SCALE: 1:2500	SHEET SIZE: A3



This basemap includes data from the mapping unit, planning authority and licensed on behalf of them

SITE PLAN P/O S.S. No.— SCALE:-1:5000

[Handwritten Signature]

- Legend:**
- Total proposed area measures 44,400m²

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Date	Rev	Description	Drawn
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

PROJECT TITLE: Flying Model Association		
DRAWING NO: HHF302_M05	DATE: 14.10.21	
CHIEF OFFICER: D.W.	CHIEF TECHNICAL OFFICER: N.A.	C/D: -
LOCATION: Hal Far	ARCH I/C: -	DRAWN BY: N.A.
DRAWING TITLE: Proposed Site Location		SCALE: 1:2500
		SHEET SIZE: A3

Scale 1:2500 0 50 100 150 200 250 300 350 400 450 500