

Company No. 00497043

The Companies Acts 1948

and

The Companies Act 1976

**PRIVATE COMPANY LIMITED BY
SHARES**

NEW

ARTICLES OF ASSOCIATION

OF

INTERNATIONAL PAPER FOODSERVICE EUROPE LIMITED

**[Reprinted to incorporate alterations affected on or
before 22nd October 2001]**



ADDLESHAW BOOTH & CO

PRELIMINARY

- 1 Table A as contained in the First Schedule to the Companies Act 1948 shall not apply to the Company.

INTERPRETATION

- 2 In these regulations:

"the Act" means the Companies Act 1948.

"the seal" means the common seal of the company.

"the secretary" means any person appointed to perform the duties of the secretary of the company.

"the United Kingdom" means Great Britain and Northern Ireland.

Expressions referred to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date of which these regulations become binding on the company and words importing the singular number only shall include the plural number, and vice versa.

SHARE CAPITAL AND VARIATION OF RIGHTS

- 3 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the company may from time to time by ordinary resolution determine.
- 4 Subject to the provisions of Section 58 of the Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the company are liable, to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.
- 5 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate meeting the provisions of these regulations relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll
- 6 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of

the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

- 7 The company may exercise the powers of paying commissions conferred by Section 53 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said Section and the rate of the commission shall not exceed the rate of 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
- 8 Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 9 Every person whose name is entered as a member in the register of members shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificates each for one or more of his shares upon payment of 12¹/₂p for every certificate after the first or such less sum as the directors shall from time to time determine. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon. Provided that in respect of a share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 10 If a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of 12¹/₂p or such less sum and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the company of investigating evidence as the directors think fit.
- 11 The company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the company or in its holding company nor shall the company make a loan for any purpose whatsoever on the security of its shares or those of its holding company, but nothing in this regulation shall prohibit transactions mentioned in the proviso to Section 54(1) of the Act.
- 12 Save as provided by contract or these Articles to the contrary, and subject to any direction of the Company in General Meeting, all unissued shares shall be at the disposal of the Directors, and they may allot, grant options over or otherwise deal with or dispose of the same to such persons, at such times, and generally on such terms as they think proper, but so that no shares shall be issued at a discount except in accordance with the provisions of Section 57 of the Act.

TRANSFER OF SHARES

- 13 Subject to such of the restrictions of these regulations as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the directors may approve.
- 14 The instrument of transfer of any share shall be executed by or on behalf of the transferor. Such instrument need not be executed by or on behalf of the transferee unless it is a transfer of a partly paid share. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 15 The Directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer of any share, whether or not it is a fully paid share.
- 16 The directors may also decline to recognise any instrument of transfer unless:
 - (a) a fee of 12¹/₂p or such lesser sum as the directors may from time to time require is paid to the company in respect thereof;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of share.
- 17 If the directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
- 18 The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine, provided always that such registrations shall not be suspended for more than thirty days in any year.
- 19 The company shall be entitled to charge a fee not exceeding 12¹/₂p on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, or other instrument.

ALTERATION OF CAPITAL

- 20 The company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
- 21 Subject to any discretion or determination that may be given or made in accordance with the powers contained in these Articles, all shares created on any increase of capital shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien, and otherwise as if they had been part of the original capital.
- 22 The company may by ordinary resolution:
 - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

- (b) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association subject, nevertheless, to the provisions of Section 61(1)(d) of the Act;
 - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 23 The company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any incident authorised, and consent required, by law.

GENERAL MEETINGS

- 24 The company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next. Provided that so long as the company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the directors shall appoint.
- 25 All general meetings other than that annual general meetings shall be called extraordinary general meetings.
- 26 The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitions, as provided by Section 132 of the Act. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

NOTICE OF GENERAL MEETINGS

- 27 An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under the regulations of the company, entitled to receive such notices from the company:

Provided that a meeting of the company shall, notwithstanding that it is called by shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed:

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
- 28 Every notice convening a General Meeting shall comply with the provisions of Section 136(2) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the Auditor for the time being of the Company.
- 29 Every Director shall be entitled to receive notice of and to attend all General Meetings of the Company, notwithstanding that he is not a member.
- 30 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 31 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.
- 32 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided, two members present in person or by proxy shall be a quorum.
- 33 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
- 34 The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the company, or if there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the directors present shall elect one of their number to be chairman of the meeting.
- 35 If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.
- 36 The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting

shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

37 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the chairman; and
- (b) by at least three members present in person or by proxy; or
- (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members holding shares in the company conferring a right to vote at the meeting before shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

38 Except as provided in Article 40, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

39 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

40 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

41 Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held.

VOTES OF MEMBERS

42 Subject to any special rights or restrictions as to voting attached to any class of shares by or in accordance with these Articles, on a show of hands every member present in person or by proxy or by a duly authorised representative not being himself a

member, shall have one vote, and on a poll every member who is present in person or by proxy or by a duly authorised representative shall have one vote for every share held by him.

- 43 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
- 44 A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy.
- 45 No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 46 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
- 47 On a poll votes may be given either personally or by proxy.
- 48 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the company.
- 49 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of a poll, and in default the instrument of proxy shall not be treated as valid.
- 50 An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

"International Paper Company Limited
"I/We , of
" , in the county of
"being a member/members of the above-named company,
hereby appoint of
"or failing him,
"of as my/our
"proxy to vote for me/us on my/our behalf at the
"[annual or extraordinary, as the case may be]
"general meeting of the company to be held on
"the day of 19 , and at

"any adjournment thereof

"Signed this day of 19 ."

- 51 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 52 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

- 53 Any corporation which is a member of the company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the company or of any class of members of the company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

DIRECTORS

- 54 There shall not be less than 2 directors unless and until otherwise determined by the company in General Meeting.
- 55 The remuneration of the directors shall from time to time be determined by the company in general meeting. Such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the company or in connection with the business of the company.
- 56 The shareholding qualification for directors may be fixed by the company in general meeting, and unless and until so fixed no qualification shall be required.

BORROWING POWERS

- 57 The directors may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.

POWERS AND DUTIES OF DIRECTORS

- 58 The business of the company shall be managed by the directors, who may pay all expenses incurred in promoting and registering the company, and may exercise all such powers of the company as are not by the Act or by these regulations, required to be exercised by the company in general meeting, subject, nevertheless, to any of these regulations, to the provisions of the Act and to such regulations, being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the company in general meeting; but no regulation made by the company in general

meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

- 59 The directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these regulations) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
- 60 The company may exercise the powers conferred by Section 35 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.
- 61 The company may exercise the power conferred upon the company by Sections 112 to 123 (both inclusive) of the Act with regard to the keeping of a dominion register, and the directors may (subject to the provisions of those Sections) make and vary such regulations as they may think fit respecting the keeping of any such register.
- 62 (a) A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company shall declare the nature of his interest at a meeting of the directors in accordance with Section 199 of the Act.
- (b) A Director shall not vote in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, nor shall he be counted in the quorum present at the meeting, but neither of these prohibitions shall apply to:
- (i) Any contract by a Director to subscribe for or underwrite shares or debentures of the Company; or
- (ii) Any contract or arrangement with the Company's Holding Company, a Subsidiary of such Holding Company or a Subsidiary of the Company (the expressions "Holding Company" and "Subsidiary" having the meanings given to them in Section 154 of the Act) in which he is interested only as an officer, director, employee or shareholder of such Holding Company or Subsidiary;

And these prohibitions may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting.

- (c) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company with regard to his tenure of any such other office or place of profit, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is interested solely as a Director, officer,

employee or shareholder of the Company's Holding Company or Subsidiary of such Holding Company or a Subsidiary of the Company (the expressions "Holding Company" and "Subsidiary" having the meanings given to them in Section 154 of the Act), be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established or holding such shares.

- (d) A director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other director is appointed to hold any such office or place of profit under the company or whereat the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.
- (e) Any director may act by himself or his firm in a professional capacity for the company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorise a director or his firm to act as auditor to the company.

63 Any Director may continue to be or become a director of or hold any other office or place of profit under any other Company which is the Company's Holding Company or a Subsidiary of such Holding Company (the expressions "Holding Company" and "Subsidiary" having the meanings given to them in Section 154 of the Act) and no such Director shall be accountable for any remuneration, salary profit or other benefits received by him as a director of, or holder of any other office or place of profit under or member of any such other company. The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as they think fit (including the exercise thereof in favour of any Resolution appointing themselves or any of them directors of such company, or voting or providing for the payment of remuneration of the directors of such company), and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or be about to be, appointed a director of such other company, and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

64 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.

65 The directors shall cause minutes to be made in books provided for the purpose:

- (a) Of all appointments of officers made by the directors;
- (b) Of the names of the directors present at each meeting of the directors and of any committee of the directors;
- (c) Of all resolution and proceedings at all meetings of the company, and of the directors, and of committees of directors;

And every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose.

- (a) The Directors may procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds or life insurance scheme for the benefit of, and the grant of donations, gratuities, pensions, allowances, benefits or emoluments to, any persons who are or shall have been at any time Directors or officers of or in the employment or service in any capacity of the Company, or of any subsidiary company of the Company or of the predecessors in business of the Company or any subsidiary company and the wives, widows, families or dependants of any such persons.
- (b) The Directors may also procure the establishment and subsidy of or subscription to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such person as aforesaid, and payments for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.
- (c) The Directors may procure any of the matters aforesaid to be done by the Company either alone or in conjunction with any such other company as aforesaid.

ALTERNATE DIRECTORS

- (a) A Director may in writing appoint any other Director, or any other person approved by the Directors, as his alternate and may at any time in writing revoke such appointment.
- (b) An alternate director shall not be deemed to be the agent of his appointor but shall be deemed to be an officer of the Company. Nevertheless, unless he is already an Officer of the Company in his own right an alternate director shall not, as such, have any rights or powers other than those mentioned below.
- (c) An alternate director shall (subject to his being in the United Kingdom) be entitled to notice of meetings of Directors and of committees of Directors of which his appointor is a member (but without prejudice to his appointor's right to receive such notices), to attend, speak and vote as a Director at any meeting at which his appointor is not personally present, to be counted (with at least one other Director or alternate director) in reckoning whether a quorum is present thereat; and, in the absence of his appointor from the United Kingdom, to sign any written resolution of the Directors referred to in Article 81. A Director present at any such meeting and appointed alternate for any other Director shall have an additional vote for each of his appointors absent from the meeting.
- (d) The appointor of an alternate director may direct the payment to the alternate director of part or all of the remuneration which would otherwise be payable to the appointor but, except as so directed an alternate director shall not be entitled to any remuneration from the Company for acting in that capacity.

- (e) An alternate director shall cease to be such if for any reason his appointment be revoked or his appointor ceases to be a Director or if he ceases or would, if a Director in his own right, cease to be a Director in any of the circumstances mentioned in Article 70.

APPOINTMENT AND REMOVAL AND DISQUALIFICATION OF DIRECTORS

- 68 The holders for the time being of a majority of the shares of the Company for the time being issued may from time to time appoint and remove any or all of the Directors. Any such appointment or removal shall be made in writing under the hands of the holders for the time being of such majority of the shares. If any such holder is a body corporate the signature of such appointment or removal on its behalf by its president or any vice president, or any Director or its secretary shall be sufficient. Such appointment or removal in writing shall take effect on and from the date on which the same is lodged at the registered office of the Company.
- 69 Without prejudice to the power in that behalf contained in Article 68 the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not exceed the maximum number of Directors (if any) fixed by or in accordance with these Articles. Any Director so appointed shall, subject to Article 70 hold office until he is removed in accordance with the provisions contained in Article 68.
- 70 The office of a Director shall be vacated:
- (a) If he is prohibited from being a Director by reason of any order made under Section 188 of the Act;
 - (b) If a receiving order is made against him or he makes any arrangement or composition with his creditors;
 - (c) If he is found to be or becomes of unsound mind;
 - (d) If by notice in writing to the Company he resigns his office;
 - (e) If he is removed in accordance with the provisions contained in Article 68;
 - (f) If he is removed by ordinary resolution of the Company as provided by Article 72;
 - (g) If an extraordinary resolution of the Company is duly passed to the effect that he shall vacate his office as Director.

ROTATION OF DIRECTORS

- 71 The Directors shall not be subject to retirement by rotation.
- 72 The company may by ordinary resolution, of which special notice has been given in accordance with section 142 of the Act, remove any director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract or service between him and the breach of any contract of service between him and the company.

PROCEEDINGS OF DIRECTORS

- 73 The directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from the United Kingdom. Any director or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- 74 The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be two. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion for the time being vested in or exercisable by the Directors generally.
- 75 The continuing directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the company as necessary quorum of directors, the continuing directors or director may act for the purpose of increasing the number of directors so that number, or of summoning a general meeting of the company, but for no other purpose.
- 76 The directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.
- 77 The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors.
- 78 A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.
- 79 A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.
- 80 All acts done by any meeting of the directors or of a committee of directors or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

- 81 A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors. The signature of an alternate director on behalf of his appointor shall be effective in the absence of his appointor from the United Kingdom.

MANAGING DIRECTOR

- 82 The Directors may from time to time appoint one or more of their body to the office of managing director for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. His appointment shall be automatically determined if he cease from any cause to be a director.
- 83 A managing director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the directors may determine.
- 84 The directors may entrust to and confer upon a managing director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

- 85 The secretary shall be appointed by the directors for such term at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.
- 86 No person shall be appointed or hold office as secretary who is:
- (a) The sole director of the company; or
 - (b) A corporation the sole director of which is the sole director of the company; or
 - (c) The sole director of a corporation which is the sole director of the company.
- 87 A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of the secretary.

THE SEAL

- 88 The directors shall provide for the safe custody of the seal, which shall only be used by the authority of the directors or of a committee of the directors authorised by the directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a director and shall be countersigned by the secretary or by a second director or by some other person appointed by the directors for the purpose.

DIVIDENDS AND RESERVE

- 89 The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the directors.

- 90 The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.
- 91 No dividend shall be paid otherwise than out of profits.
- 92 The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.
- 93 Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionally to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 94 The directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 95 Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the directors.
- 96 Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by them as joint holders.
- 97 No dividend shall bear interest against the company.

ACCOUNTS

- 98 The directors shall cause proper books of accounts to be kept with respect to:-

- (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the company; and
- (c) the assets and liabilities of the company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions and if such books do not comply with Section 12 of the Companies Act 1976.

- 99 The books of account shall be kept at the registered office of the company, or, subject to section 147(3) of the Act, at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
- 100 The directors shall from time to time determine whether and to what extent and to what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by statute or authorised by the directors or by the company in general meeting.
- 101 The directors shall from time to time, in accordance with Sections 1 and 8 of the Companies Act 1976 and Sections 150 and 157 of the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
- 102 A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the company in general meeting, together with a copy of the auditor's report, shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of, the company. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any shares or debentures.

CAPITALISATION OF PROFITS

- 103 The company in general meeting may upon the recommendation of the directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid or any shares held by such members respectively or paying up in full unissued shares or debentures of the company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the directors shall give effect to such resolution:

Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.

- 104 Whenever such a resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

AUDIT

- 105 Auditors shall be appointed and their duties regulated in accordance with Section 161 of the Act and Section 14 of the Companies Act 1967 and Sections 14 to 18 (both inclusive) of the Companies Act 1976.

NOTICES

- 106 A notice or other document may be served by the Company upon any member or any Director either personally or by sending it by post addressed to him at his registered address as appearing in the register of members of the register of directors as the case may be. Any notice or other document, if served by post, shall in the case of a member or director having an address outside the United Kingdom, be despatched by airmail; and every such notice or other document served by post shall be deemed to have been served on the day on which the letter, envelope or wrapper containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as a pre-paid letter.
- 107 A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.
- 108 A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, within the United Kingdom supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 109 Notice of every general meeting shall be given in any manner hereinbefore authorised to:-
- (a) every member who is entitled to receive notice of a General Meeting and every Director who is not a member;

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

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

WINDING UP

- 110 If the company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the company and any other sanction required by the Act, divide amongst the members in specie or kind the whole or any part of the assets of the company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members of different classes of members. The liquidator may, with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereupon there is any liability.

INDEMNITY

- 111 Every director, managing director, agent, auditor secretary and other officer for the time being of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 448 of the Act in which relief is granted to him by the court.

PRIVATE COMPANY

- 112 The Company is a private company and accordingly:
- (a) the right to transfer shares is restricted in a manner prescribed in these Articles;
 - (b) the number of members of the Company (exclusive of persons who are in the employment of the Company and of person who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty. Provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single member;
 - (c) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited;
 - (d) the Company shall not have power to issue share warrants to the bearer.