

No. 1146077

*The Companies Acts, 1948 to 1967*

COMPANY LIMITED BY SHARES

# Memorandum

AND

# Articles of Association

as amended by Special Resolution dated 23rd April 1974  
OF and 17th September 1981  
and 6th June 1984  
and 18th Dec 1987

BOWATER PKL LIMITED

Incorporated the 16th day of November 1973



COMPANY LIMITED BY SHARES

Memorandum of Association

OF

BOWATER PKL LIMITED

as adopted by Special Resolution dated 23rd April 1973

1. The name of the Company is BOWATER PKL LIMITED\*
2. The Registered Office of the Company will be situate in England.
3. The objects for which the Company is established are :-
  - (a) To carry on business as manufacturers, importers, exporters, buyers and sellers of, and as agents for and dealers in water, air tight and grease proof containers, cartons, casks, boxes, bins, tubes and cases of every description for liquid and solid foods, ingredients and commodities of all kinds whether made of paper, plastic, celluloid, cardboard, metal, wood, leather, fibre, transparent paper, water and grease proof paper or other materials and to manufacture, import, buy, sell and deal in either as principals or agents all such machinery, articles and things used or capable of being used in the manufacture of the aforesaid articles or in connection with the aforesaid businesses, and in particular, but without prejudice to the generality of the foregoing, to implement the obligations attributed to the Company in an Agreement dated the 13th day of February 1974 and made between Papier Und Kunststoff Werke Linnich GmbH ("PKL") of the one part and Bowater Packaging Limited ("Bowater") of the other part whereby PKL and Bowater agreed to the setting-up of the Company.
  - (b) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any business which the Company is authorised to carry on or may seem to the Company calculated directly or indirectly to benefit

\* The name of the Company was changed  
from BOWATER PKL (UK) LIMITED  
on 18th December 1987

the Company, or to enhance the value of or render profitable any of the Company's properties or rights.

- (c) To acquire and carry on all or any part of the business or property and to undertake any liabilities of any person or company possessed of property suitable for any of the purposes of the Company, or carrying on any business which the Company is authorised to carry on, and upon any terms and for any consideration, and in particular for cash or in consideration of the issue of shares, securities or obligations of the Company.
- (d) To enter into partnership or into any arrangement for sharing profits, union of interest, joint adventure, reciprocal concession or co-operation with any person or company carrying on, engaged in, or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company, and to take or otherwise acquire and hold, sell or otherwise deal with shares, securities or obligations of, and to subsidise or otherwise assist any such person or company.
- (e) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, rights or privileges which the Company may think suitable or convenient for any purposes of its business and to erect, construct and equip buildings and works of all kinds.
- (f) To apply for, purchase or otherwise acquire any patents, licences, and like rights, conferring an exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop, grant licences in respect of, or otherwise turn to account the rights and information so acquired.
- (g) To purchase, subscribe for or otherwise acquire, and to hold the shares, securities or obligations of any company in the United Kingdom or elsewhere.
- (h) To invest the moneys of the Company in or upon such shares, securities and investments and in such manner as may from time to time be determined.
- (i) To borrow or raise or secure the payment of money in such manner and upon such terms as the Company may think fit and to enter into any guarantee, contract of indemnity or suretyship whether by personal covenant or otherwise and in particular but without limiting

the generality of the foregoing to guarantee the payment of any money secured by or payable under or in respect of any shares, debentures, charges, contracts or securities or obligations of any kind of any person, firm, authority, or company, British or foreign, including in particular but without limiting the generality of the foregoing any company which is, (within the meaning of Section 154 of the Companies Act, 1948 or any statutory re-enactment or modification thereof) in relation to the Company a subsidiary or a holding company or a subsidiary of any such holding company and for any of such purposes to mortgage or charge the undertaking and all or any part of the property and rights of the Company both present and future, including uncalled capital, and to create and issue redeemable debentures or debenture stock, bonds or other obligations.

- (j) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or of any other person or company having dealings with the Company, or in whose business or undertaking the Company is interested.
- (k) To draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments.
- (l) To lend money to such persons, upon such terms and subject to such conditions, as may seem expedient.
- (m) To sell, let, develop, dispose of or otherwise deal with the undertaking or all or any part of the property of the Company, upon any terms, with power to accept as the consideration any shares, securities or obligations of or interest in any other company.
- (n) To pay out of the funds of the Company all expenses which the Company may lawfully pay of or incident to the formation, registration and advertising of or raising money for the Company and the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting shares, debentures, debenture stock, securities or obligations.
- (o) To enter into any arrangements with any government or authority, supreme, municipal, local or otherwise, and to obtain from any such government or authority any rights, concessions and privileges that may seem conducive to the Company's objects or any of them.
- (p) To establish and maintain or procure the establishment

and maintenance of any non-contributory or contributory pension, provident or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and the wives, widows, families and dependants of any such persons, and also to establish and subsidise or subscribe 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 persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition, or for any public general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.

- (q) To promote any company or companies for the purpose of its or their acquiring all or any of the property, rights and liabilities of the Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company and to pay all the expenses of or incidental to such promotion.
- (r) To amalgamate with any other company.
- (s) To distribute the Company's property or assets among the members in specie.
- (t) To cause the Company to be registered or recognised in any foreign country.
- (u) To do all or any of the above things in any part of the World and either as principals, agents, trustees, or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise.
- (v) To do all such other things as the Company may deem incidental or conducive to the attainment of any of the above objects of the Company.

And it is hereby declared that the word "company", save where used in reference to this Company in this Clause, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the

United Kingdom or elsewhere and the intention is that each of the objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be an independent main object and be in nowise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The Share Capital of the Company is £500,000 divided into 500,000 Shares of £1 each. \* \*\*

\*NOTE:

The original capital of the Company was £100 divided into 100 shares of £1 each. By an ordinary resolution passed on 23rd April, 1974 the capital was increased by the creation of a further 499,900 shares of £1 each ranking pari passu with the existing £1 ordinary shares.

\*\* Authorised share capital of the company increased to £1,500,000 by ordinary resolution dated 6th June, 1984

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

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS.	Number of Shares taken by each Subscriber.
MICHAEL JOHN HOPE, 30, City Road, London, E.C.1.  Company Formation Assistant.	ONE
BRIAN GOLDSTEIN, 30, City Road, London, E.C.1.  Company Director.	ONE

DATED this 5th day of November, 1973.

WITNESS to the above Signatures :-

ERIC CHARLES TURNER,  
30, City Road,  
London, E.C.1.

Company Formation Assistant.

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COMPANY LIMITED BY SHARES

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Articles of Association

OF

BOWATER PKL LIMITED \*\*

as adopted by Special Resolution dated 23rd April 1974

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PRELIMINARY

1. Subject as hereinafter provided the regulations contained in or made applicable by Part II of Table A in the First Schedule of the Companies Act 1948 (hereinafter called Table A) shall apply to the company but in the case of any variation or inconsistency between these articles and Table A, these articles shall prevail.

2. In regulation 1 of Part I of Table A between the words "regulations" and "The Act" the words "and in any articles adopting the same" shall be inserted.

SHARE CAPITAL

3. Regulation 3 of Table A shall not apply.

4. The authorised share capital of the company is £500,000\* of which £250,000 will be called on formation. 70% of this amount will be called from Bowater Packaging Limited ("Bowater") and 20% from Papier Und Kunststoff Werke Linnich GmbH ("PKL"). All shares shall rank pari passu and shall have a nominal value of £1 each.

LIEN

5. In regulation 11 of Part I of Table A the words "(not being a fully paid share)" and "(other than fully paid shares)" shall be omitted.

\* Authorised share capital of the company increased to £1,500,000 by ordinary resolution dated 6th June, 1984.

\*\*The name of the Company was changed from Bowater PKL (UK) Limited on 18th December 1987.



## CALLS

6. In regulation 15 of Part I of Table A the words "provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for payment of the last preceding call" shall be omitted.

## TRANSFER OF SHARES

7. Regulations 12, 22 and 23 of Part I of Table A shall be read subject to the provisions of Article 8 hereof and regulation 3 of Part II of Table A shall not apply.

8. (1) For the purposes of this Article, where any person is unconditionally entitled to be registered as the holder of a share he and not the registered holder of such share shall be deemed to be a member of the Company in respect of that share.

(2) Except as hereinafter provided no shares in the Company shall be transferred unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.

(3) Every member who desires to transfer any share or shares (hereinafter called the vendor) shall give to the Company notice in writing of such desire (hereinafter called the transfer notice). No transfer notice shall relate to more than one class of shares. Subject as hereinafter mentioned, a transfer notice shall constitute the Company the vendor's agent for sale of the share or shares specified therein (hereinafter called the said shares) in one or more lots at the discretion of the directors to the members other than the vendor at a price to be agreed upon by the vendor and the directors, or, in the case of difference, at the price which an accountant nominated by agreement between the vendor and the Company, or, in default of such agreement, by the President for the time being of the Institute of Chartered Accountants in England and Wales, shall be in writing under his hand, certify to be in his opinion the fair value thereof as between a willing seller and a willing buyer. The transfer notice may contain a provision that unless all the shares comprised therein are sold by the Company pursuant to this Article, none shall be so sold and any such provision shall be binding on the Company.

(4) If an Accountant is asked to certify the fair value as aforesaid, his certificate shall be delivered to the Company and so soon as the Company receives the certificate it shall furnish a certified copy thereof to the vendor and the vendor shall be entitled, by notice in writing given to the Company within ten days of the service upon him of the said certified copy, to cancel the Company's authority to sell the said shares. The cost of obtaining the certificate shall be borne by the Company unless the vendor shall give notice of cancellation as aforesaid in which case he shall bear the said cost.

(5) Upon the price being fixed as aforesaid and provided the vendor shall not give notice of cancellation as aforesaid the Company shall forthwith by notice in writing inform each member

other than the vendor and other than members holding employees' shares only of the number and price of the said shares and invite each such member to apply in writing to the Company within twenty-one days of the date of dispatch of the notice (which date shall be specified therein) for such maximum number of the said shares (being all or any thereof) as he shall specify in such application.

(6) If the said members shall within the said period of twenty-one days apply for all or (except where the transfer notice provides otherwise) any of the said shares, the Company shall allocate the said shares (or so many of them as shall be applied for as aforesaid) first, to and amongst the applicants who are registered or unconditionally entitled to be registered in respect of shares of the same class (and in the case of competition pro rata according to the number of shares of such class of which they are registered or unconditionally entitled to be registered holders) and secondly (if any of the said shares shall remain after such applicants have been satisfied in full), to and amongst the remaining applicants (and in case of competition pro rata according to the number of shares in the Company (other than employees' shares) in respect of which they are registered or unconditionally entitled to be registered as holders) provided that no applicant shall be obliged to take more than the maximum number of shares specified by him as aforesaid.

(7) The vendor shall be bound to transfer the shares comprised in an allocation notice to the purchasers named therein at the time and place therein specified; and if he shall fail to do so, the chairman of the Company or some other person appointed by the directors shall be deemed to have been appointed attorney of the vendor with full power to execute, complete and deliver, in the name and on behalf of the vendor, transfers of the shares to the purchasers thereof against payment of the price to the company. On payment of the price to the Company the purchaser shall be deemed to have obtained a good quitance for such payment and on execution and delivery of the transfer the purchaser shall be entitled to insist upon his name being entered on the register of members as the holder by transfer of the shares. The Company shall forthwith pay the price into a separate bank account in the Company's name and shall hold such price in trust for the vendor.

(8) During the six months following the expiry of the said period of twenty-one days referred to in paragraph (5) of this Article, the vendor shall be at liberty to transfer to any persons and at any price (not being less than the price fixed under paragraph (3) of this Article) any share not allocated by the directors in an allocation notice provided that, if the vendor stipulated in his transfer notice unless all the shares comprised therein were sold pursuant to this regulation, none should be so sold, the vendor shall not be entitled save with the written consent of all the other members of the Company, to sell hereunder only some of the shares comprised in his transfer notice.

(9) The restrictions on transfer contained in this Article shall not apply to -

- (1) any transfer approved in writing by all the members
- (2) any transfer by a corporate member to an associated company (that is to say any holding company or subsidiary of such corporate member and any other subsidiary of any such holding company)
- (3) any transfer by a corporate member to a company formed to acquire the whole or a substantial part of the undertaking and assets of such corporate member as part of a scheme of amalgamation or reconstruction.

Provided that it be proved to the satisfaction of the board that the transfer bona fide falls within one of these exceptions and provided also that before any transfer to an associated company is registered the parties thereto shall deposit with the Company joint and several undertakings under seal expressed to be for the benefit of the Company and that in the event of the transferee ceasing to be an associated company of the transferor at any time while it is registered as the holder of any shares comprised in the transfer it will forthwith notify the Company in writing and will if so required in writing by the Company at any time within fourteen days after such notification as aforesaid forthwith transfer the said shares back to the transferor or its associated company; and if the transferee shall refuse or neglect or be unable so to transfer the said shares within a period of fourteen days from the date of the said requisition it shall be deemed to have delivered a transfer notice under (3) hereof in respect of the said shares on the expiration of such period.

(10) Notwithstanding the foregoing provisions of this Article, the directors may decline to register :-

- (a) any transfer of any share on which the Company has a lien;
- (b) any transfer of a share (not being a fully paid share) to a person of whom they do not approve; and
- (c) any transfer the registration of which would cause the number of members to exceed the maximum permitted by regulation 2 of Part II of Table A.

#### ALTERATION OF CAPITAL

9. Regulation 44 of Part I of Table A shall not apply, but the Company may from time to time by special resolution increase the share capital by such sum, to be divided into shares of such amount, and to be issued to such persons and on such terms as the resolution shall prescribe.

## NOTICE OF GENERAL MEETINGS

10. Regulation 50 of Part I of Table A shall take effect as if the words "twenty-one days notice" were substituted for the words "fourteen days notice".

11. (1) Regulations 54 and 60 of Part I of Table A and regulation 4 of Part II thereof shall not apply to the Company.

(2) No business shall be transacted at any general meeting unless a quorum of all members of the Company is present at the time when the meeting proceeds to business; each of whom is present in person or by proxy or (being a corporation) is represented in accordance with regulation 74 of Part I of Table A.

(3) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or at 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, any two or more persons being members or proxies for members or representatives of corporations duly appointed in accordance with regulation 74 of Part I of Table A, shall be a quorum.

(4) Failing unanimous vote of the directors under Article 20(4) hereof any of the matters specified below must be passed at a general meeting by ordinary resolution but only at least a 75% majority of the total votes of the Company :-

- (a) the acquisition by the Company of any share in another Company
- (b) any delegation by the directors of any of their powers to a committee
- (c) the adoption of new products for manufacture by the Company
- (d) the conclusion of Agreements for the use of patent rights or "know-how" with parties outside the Jagenberg group of companies

## DIRECTORS

12. (1) Regulation 75 of Part I of Table A shall not apply to the Company.

(2) The number of directors shall be three of whom two will be appointed by Bowater and one by PKL.

(3) The first directors shall be the following :-

HERR FRANZ K. LIEDER (appointed by PKL) and MR. B.H.A. BALL and MR. C.K.L. LEDGER (both appointed by Bowater).

#### REMUNERATION

13. Any director who, being so requested by the directors, performs special or extraordinary services on behalf of the Company, or who travels or resides outside the United Kingdom or travels to or resides in any place other than where he usually resides for the purpose of discharging his duties may be paid such extra remuneration (whether by way of lump sum, salary, commission or participation in profits or otherwise) as the directors may determine.

14. Regulation 77 of Part I of Table A shall not apply. A Director shall not require any share qualification but shall nevertheless be entitled to attend and speak at any general meeting of the Company or at any separate meeting of the holders of any class of shares of the Company.

#### POWERS AND DUTIES OF DIRECTORS

15. Regulation 89 of Part I of Table A shall not apply to the Company. 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 Companies Acts 1948 to 1967 or these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Act and these Articles.

16. Paragraphs (2) and (4) of regulation 84 of Part I of Table A shall not apply. A director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.

#### DISQUALIFICATION OF DIRECTORS

17. In regulation 83 of Part I of Table A the words and figures "or 185" shall be omitted and sub-clause (f) thereof shall not apply.

#### ROTATION OF DIRECTORS

18. Regulations 89 to 95 inclusive, and regulation 97 of Part I of Table A shall not apply.

## APPOINTMENT AND REMOVAL OF DIRECTORS

19. At any time and from time to time the Company may by special resolution appoint any person a director (but so that the maximum number of directors is not exceeded) and determine the period for which such person is to hold office. Removal of a director under regulation 96 of Part I of Table A must be effected by a special and not by an ordinary resolution. Nothing in this Article shall give the Company the right to override the provisions of Article 12(2) hereof.

## PROCEEDINGS OF DIRECTORS

20. (1) Regulations 98 and 99 of Part I of Table A shall not apply to the Company.

(2) The directors may meet together for the dispatch of business, adjourn and, subject as hereinafter provided, otherwise regulate their meetings and proceedings as they think fit. A director may, and the secretary on requisition of a director shall, at any time summon a meeting of the directors.

(3) The quorum necessary for the transaction of business of the directors shall be two directors one of whom shall be appointed by PKL.

(4) Matters of broad marketing policy will be the business of the directors and will be subject to their decision being unanimous.

(5) Questions arising at any meeting shall be decided by a majority of votes. The matters specified in sub-paragraphs (a) to (e) of Article 11(4) may be given effect by a unanimous vote of the Directors but will otherwise be subject to the provisions of Article 11 (4).

21. Regulation 100 of Part I of Table A shall not apply to the Company. The continuing directors may act notwithstanding any vacancy in their number, but, if and so long as the number of directors is reduced below two, the continuing directors or director may act for the purpose of summoning a general meeting of the Company or of the holders of any class of shares but for no other purpose.

22. Regulation 106 of Part I of Table A shall not apply. A resolution in writing and signed or approved by letter, telex or telegram by all the directors for the time being entitled to receive notice of a meeting of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held and when signed may consist of several documents each signed by one or more of the persons aforesaid.

## ALTERNATE DIRECTORS

23. (1) Each director shall have power from time to time to

nominate a person to act as his alternate director and at his discretion to remove such alternate director.

(2) An alternate director shall (except as regards power to appoint an alternate director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other directors, and shall be entitled to receive notices of all meetings of the directors and to attend speak and vote at any such meeting at which his appointor is not present.

(3) One person may act as an alternate director to more than one director and while he is so acting shall be entitled to a separate vote for each director he is representing and, if he is himself a director, his vote or votes as an alternate director shall be in addition to his own vote.

(4) Any appointment or removal of an alternate director may be made by letter, telex or telegram or in any other manner approved by the directors. Any telex or telegram shall be confirmed as soon as possible by letter, but may be acted upon by the Company meanwhile.

(5) If a director making any such appointment as afore-said shall cease to be a director, the person appointed by him shall thereupon cease to have any power or authority to act as an alternate director.

(6) A director shall not be liable for the acts or defaults of any alternate director appointed by him.

(7) An alternate director shall not be taken into account in reckoning the minimum or maximum number of directors allowed for the time being but he shall be counted for the purposes of reckoning whether a quorum is present at any meeting of the directors attended by him at which he is entitled to vote.

#### MANAGING DIRECTOR

'24. The Directors may resolve from time to time to confer on any person (not being a Director) the title of 'Special Director' or allow him to use 'Director' as part of his title. Any such person shall not be a Director of the Company for any of the purposes of existing Company Law Statutes ('the Statutes') and shall not have any of the powers of, or be subject to any of the duties of a Director, save in so far as they are delegated or granted to him by the Directors. A Special Director or any person (not being a Director) bearing the title 'Director' shall not be entitled to receive notice of or to attend any Board Meeting unless invited to do so by the Directors nor shall he be entitled to vote on any resolution proposed at a meeting of the Directors. The use of the title Special Director or Director by any person other than a Director appointed according to the Statutes shall not by itself for a term of condition of employment unless agreed between such person and the Company and failing any such agreement the right to use such title may be withdrawn at any time.'