

No: 2043045

THE COMPANIES ACT 1985

RESOLUTION dated the 19th day of February 1992
agreed to by all the members of the Company taking effect as

SPECIAL RESOLUTIONS IN WRITING

of

PENDIGO PAPER LIMITED

presented for filing pursuant to Section 380(1) and (4) (c) of the
Companies Act 1985

We, being all the members of the above named Company, hereby
resolve and agree that the following Resolutions shall take
effect as SPECIAL RESOLUTIONS:-

SPECIAL RESOLUTIONS

- (1) "THAT the Memorandum of Association of the Company be
amended by the insertion of the following new clauses as
new Clauses 3(a)(i) and 3(a)(ii) and the re-numbering of
existing Clauses 3(a) to 3(f), inclusive as new Clauses 3(b)
to 3(z) respectively:-

"3(a)(i) To carry on as principal, agent or in any other
capacity whatsoever all or any of the businesses,
undertakings, transactions or operations commonly
carried on or undertaken by general merchants,
traders, designers, manufacturers, assemblers,
property developers, builders, contractors,
distributors, agents, importers, exporters,
factors, wholesale and retail dealers and
suppliers of all goods, wares, produce, products,
materials, commodities, and merchandise of every
description and/or to provide all forms and
manner of services of whatsoever nature
including, inter alia, commercial, finance,

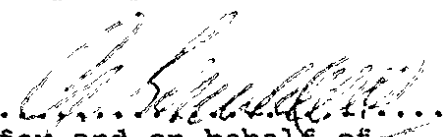
credit, leasing, hire, hire purchase, financing, banking, insurance, investment, consultancy, advisory, estate management and estate agency, advertising, marketing, managerial, administrative, computer, broking, surveying, export, import, shipping, transport, investment, storage, forwarding, equipment hire and garage services and all other services of every description and to carry on all or any of the said businesses, undertakings, transactions or operations either together or separately in any part of the world; to act as agents and/or representatives for any purpose on behalf of any persons, firms, companies, organisations or authorities in respect of any goods and/or services as the company may decide; to purchase or otherwise acquire or take over any business or businesses or undertakings which may be deemed by the Company to be expedient or to become interested in and carry on or dispose of or liquidate or otherwise deal with such businesses or undertakings as may be thought desirable and to purchase, subscribe for and/or otherwise acquire and/or hold shares, stocks, debentures or securities and investments of whatsoever nature and to act as a holding company and without prejudice to the generality of the foregoing to carry on business as a general commercial company.

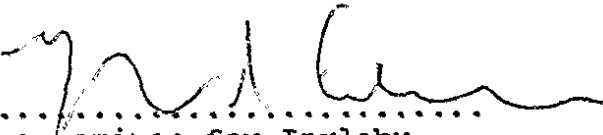
(ii) To enter into any guarantees, indemnities and/or financial transactions and to carry on and transact every kind of guarantee, counter-guarantee, indemnity and counter-indemnity business and financial operations and without limiting the generality of the foregoing in connection therewith or in connection with any business or activity of the Company or otherwise, (regardless of whether or not the Company receives any consideration) to:-

(A) finance and invest in and to guarantee the payment of money by, and the discharge of liabilities and obligations of every description of, any person firm or company including (without limiting the generality of the foregoing) any company which is for the time being a subsidiary or the holding company (both as defined by Section 736 of the Companies Act 1985) of the Company or another subsidiary of any such holding company; and/or

- (B) effect any such guarantees and indemnities either by personal covenant or by mortgaging charging or otherwise creating security over all or any part of the undertaking, property and assets both present and future of the Company and its uncalled capital or by both such methods; and/or
 - (C) borrow money, negotiate loans, grant credit facilities and other accommodation, advance and lend money with or without security, and to discount and deal in bills of exchange and other negotiable instruments and securities of every description; and/or
 - (D) give, subject to and in accordance with due compliance with the provisions of Sections 155-158 inclusive of the Companies Act 1985 (if and so far as such provisions shall be applicable), whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Companies Act 1985) for any such purpose as is specified in Section 151(1) and/or Section 153 of the Companies Act 1985.
- (2) "THAT the regulations contained in the document appended to these Resolutions and for the purpose of identification initialled by the members be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association thereof." *⊕ initialled by the Chairman and lodged with the statutory books of the Company*
- (3) That the giving of financial assistance (as defined by Section 151 and 152 of the Companies Act 1985 ("the Act")) by the Company to its holding company Ingleby (579) Limited by the transfer of the business assets and liabilities of the Company to Ingleby (579) Limited (No. 2634500), pursuant to a hive-up agreement in a form *agreed between the members* to be entered into immediately following the approval of this Resolution, (such assets being transferred at the higher of market value and their respective book values as shown in the records of the Company as at today's date, the consideration therefor being satisfied as to part by the assumption by Ingleby (579) Limited of the obligations and liabilities of the Company and as to the balance, (being an amount equal to the amount that the agreed value of the said assets exceeds the liabilities of the Company) on loan account, the Statutory Declaration of the Directors and the auditors' certificate both provided pursuant to Section 155 of the Act and annexed hereto be and they are hereby approved.
- (4) That the giving financial assistance (as defined by Sections 151 and 152 of the Companies Act 1985) by the Company by virtue of the fact that the loan element of the

consideration referred to at Resolution 3 above will be left outstanding as an on demand, unsecured, interest free loan from the Company to Ingleby (579) Limited and will be entered in the books of both companies as such, be and is hereby approved.

Signed 
for and on behalf of
Ingleby (579) Limited

Signed 
as nominee for Ingleby
(579) Limited

Company Number: 2043045

The Companies Acts 1985 and 1989

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A PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

'PENDIGO PAPER LIMITED

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1. The Company's name is 'PENDIGO PAPER LIMITED.
 2. The Company's registered office is to be situated in England and Wales.
 3. The Company's objects are:-
 - (a) (i) To carry on as principal, agent or in any other capacity whatsoever all or any of the businesses, undertakings, transactions or operations commonly carried on or undertaken by general merchants, traders, designers, manufacturers, assemblers, property developers, builders, contractors, distributors, agents, importers, exporters, factors, wholesale and retail dealers and suppliers of all goods, wares, produce, products, materials, commodities, and merchandise of every description and/or to provide all forms and manner of services of whatsoever nature including, inter alia, commercial, finance, credit, leasing, hire, hire purchase, financing, banking, insurance, investment, consultancy, advisory, estate management and estate agency, advertising, marketing, managerial, administrative, computer, broking, surveying, export, import, shipping, transport, investment,

'The Company changed its name from "Trumpswing Limited" on 8th September 1987 pursuant to a special resolution passed on 17th June 1987.

storage, forwarding, equipment hire and garage services and all other services of every description and to carry on all or any of the said businesses, undertakings, transactions or operations either together or separately in any part of the world; to act as agents and/or representatives for any purpose on behalf of any persons, firms, companies, organisations or authorities in respect of any goods and/or services as the company may decide; to purchase or otherwise acquire or take over any business or businesses or undertakings which may be deemed by the Company to be expedient or to become interested in and carry on or dispose of or liquidate or otherwise deal with such businesses or undertakings as may be thought desirable and to purchase, subscribe for and/or otherwise acquire and/or hold shares, stocks, debentures or securities and investments of whatsoever nature and to act as a holding company and without prejudice to the generality of the foregoing to carry on business as a general commercial company.

(ii) To enter into any guarantees, indemnities and/or financial transactions and to carry on and transact every kind of guarantee, counter-guarantee, indemnity and counter-indemnity business and financial operations and without limiting the generality of the foregoing in connection therewith or in connection with any business or activity of the Company or otherwise, (regardless of whether or not the Company receives any consideration) to:-

(A) finance and invest in and to guarantee the payment of money by, and the discharge of liabilities and obligations of every description of, any person firm or company including (without limiting the generality of the foregoing) any company which is for the time being a subsidiary or the holding company (both as defined by Section 736 of the Companies Act 1985) of the Company or another subsidiary of any such holding company; and/or

(B) effect any such guarantees and indemnities either by personal covenant or by mortgaging charging or otherwise creating security over all or any part of the undertaking, property and assets both present and future of the Company and its uncalled capital or by both such methods; and/or

- (C) borrow money, negotiate loans, grant credit facilities and other accommodation, advance and lend money with or without security, and to discount and deal in bills of exchange and other negotiable instruments and securities of every description; and/or
 - (D) give, subject to and in accordance with due compliance with the provisions of Sections 155-158 inclusive of the Companies Act 1985 (if and so far as such provisions shall be applicable), whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Companies Act 1985) for any such purpose as is specified in Section 151(1) and/or Section 153 of the Companies Act 1985.
- (b) To carry on all or any of the businesses of proprietors, owners and operators of restaurants, dining rooms, cafes, snack and coffee bars, shops, kiosks, hotels, inns, public houses, motels and road houses, general caterers and refreshment contractors, licensed victuallers, manufacturers of and dealers in cooked and prepared foods and provisions and comestibles of all kinds, ice cream manufacturers and merchants, bakers, pastry cooks and confectioners; merchants of and dealers in wines, spirits, liqueurs, ales, soft drinks, mineral and aerated waters, cigars, cigarettes, tobacco, fruit, flowers and other table decorations and fancy goods, novelties and articles of every description, proprietors of baths, clubs, dressing rooms, laundries, reading, writing, newspaper and billiards rooms, dance halls, ballrooms, skating rinks, amusement arcades, theatres, cinemas and other places of amusement and entertainment, newsagents and caterers for public and private amusement, motor and other vehicle proprietors and dealers, petrol filling and service station proprietors, car park proprietors, cab and motor garage keepers, dealers in petrol, tyres and other motor stores and accessories, farmers, dairymen, general merchants, agents and traders; to let the Company's premises or any part thereof for banquets, dinners, balls, dances, concerts or any other purpose which the Company may deem desirable; and to buy, sell, manufacture and deal in goods, wares, merchandise, commodities, materials, produce, articles and things of every description capable of being dealt with in connection with the above mentioned businesses or any of them, or likely to be required by customers of or persons having dealings with the Company.

- (c) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company.
- (d) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.
- (e) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
- (f) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
- (g) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (h) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

- (i) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and securityships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).
- (j) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (k) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (l) To apply for, promote, and obtain any Act of Parliament, order or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (m) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.
- (n) To subscribe for, take, purchase or otherwise acquire, hold, sell, deal with and dispose of, place and

underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

- (o) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.
- (p) To promote any other company for the purpose of acquiring the whole or part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (q) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (r) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (s) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (t) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.

- (u) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or any of such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.
- (v) Subject and in accordance with a due compliance with the provisions of Section 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.
- (w) To distribute among the Members of the Company in kind any property of the Company of whatever nature.
- (x) To procure the Company to be registered or recognised in any part of the world.
- (y) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.
- (z) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that:-

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.
- (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each sub-clause contained the objects of a separate company.
- (3) The word "Company" in this Clause, except where used in reference to the Company shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
- (4) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the Members is limited.

5.. The Company's share capital is £10⁰ divided into 100 shares of £1 each.

We, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
1. Michael Richard Counsell 15 Pembroke Road Bristol BS99 7DX	One
2. Christopher Charles Hadler 25 Pembroke Road Bristol BS99 7DX	One
TOTAL SHARES TAKEN	Two

Dated 3rd March 1986

Witness to the above signatures:

Errol Sandford
15 Pembroke Road,
Bristol,
BS8 3BA.

The Companies Acts 1985 and 1989

C O M P A N Y L I M I T E D B Y S H A R E S

ARTICLES OF ASSOCIATION

of

PENDIGO PAPER LIMITED

(Adopted by a Special Resolution passed on 1992)

PRELIMINARY

1. (A) The Regulations contained or incorporated in Table A of the Companies (Tables A to F) Regulations 1985 and the Companies (Tables A to F) (Amendment) Regulations 1985 ("Table A"), other than Regulations 40 and 41, 73, 75 to 76 inclusive, 78 to 80 inclusive and 94 and 95, shall subject to the modifications hereinafter expressed, apply to the Company and together with the regulations hereinafter contained, shall constitute the Articles of Association of the Company.
- (B) In Regulation 1 of Table A "execution" includes both signature under hand and execution under seal.
- (C) Words and expressions which are defined in Table A have the same meanings when used in these Articles and reference to "Regulations" means the regulations contained in Table A.

PRIVATE COMPANY

2. The Company is a private company and accordingly the provisions of Section 170 of the Financial Services Act 1986 shall apply to the Company.

SHARE CAPITAL

3. (A) The authorised share capital of the Company is £10,000 divided into 10,000 Shares of £1 each;

(B) For the purposes of Section 80 of the Act and subject to the provisions of Article 4, the Directors are hereby generally and unconditionally authorised at any time or times during the period of 5 years from the date of the adoption of these Articles:-

- (1) to allot relevant securities of the Company (as defined in the said Section) up to the amount of the authorised but unissued share capital of the Company at the date of any such allotment; and
- (2) to make at any time before the expiry of the foregoing authority any offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority;

provided that the authority hereby given may, subject to the Act, be renewed, revoked or varied by the Company at any time during such period by Ordinary Resolution and unless so renewed, revoked or varied, such authority shall expire at the end of such period.

ALLOTMENT OF SHARES

4. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares or other securities, all shares or other securities shall be issued to such persons and upon such terms and conditions and with such rights, priorities, privileges or restrictions as the Resolution creating or issuing such shares or other securities and/or effecting the increase in the authorised share capital of the Company shall prescribe but, in the absence of any such prescription, all shares or other securities whether forming part of the existing or any increased capital or other securities shall be at the disposal of the Directors who may issue them, subject to Section 80 of the Act, to such persons at such times and generally on such terms and conditions and with such rights, priorities, privileges or restrictions as they may think fit. Accordingly, and in accordance with Section 91 of the Act, Sections 89(1) and 90(1) - (6) inclusive of the Act shall not apply to the Company.

5. No shares shall be issued to any infant, bankrupt or person suffering from mental disorder (as that expression is used in Regulation 81(c)).

LIEN

6. The lien conferred by Regulation 8 shall extend also to fully paid shares and to all shares registered in the name of any person indebted or under liability to the Company, (whether solely or jointly with any other person and whether he shall be the sole registered holder thereof or shall be one of several joint holders) and shall be a first and paramount lien for all moneys and liabilities owed to the Company whether presently due and payable or not.

FORFEITURE

7. The liability of any member in default of payment of a call shall, if the Directors so direct, also include any costs and expenses suffered or incurred by the Company in respect of such non-payment and Regulations 18 and 21 shall be amended accordingly.

TRANSMISSION OF SHARES

8. The Directors may at any time give notice requiring any person entitled to a share by reason of the death or bankruptcy of the holder thereof to elect either to be registered himself in respect of the share or to transfer the share and if the notice is not complied with within 30 days of the date of such notice the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with and Regulation 31 shall be modified accordingly.

TRANSFER OF SHARES

9. The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share whether or not it is a fully paid share and for the purposes of these Articles the expression "transfer" includes the renunciation of any allotment of shares or of any rights to subscribe for or receive an allotment of shares and the first sentence of Regulation 24 is modified accordingly.

GENERAL MEETINGS

10. No business shall be transacted at any general meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted each being a member or a proxy for a member, or a duly authorised representative of a corporation, shall be a quorum. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting if convened on the requisition of Members will be dissolved. In any other case, the meeting will stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting will be dissolved.

11. At any General Meeting of the Company, a poll may be demanded by one or more Members present in person or by proxy and having the right to vote at the meeting and sub-paragraphs (b) (c) and (d) of Regulation 46 shall be modified accordingly.

APPOINTMENT AND REMOVAL OF DIRECTORS

12. Unless otherwise determined by Ordinary Resolution the minimum number of Directors shall be one and a sole Director shall have and exercise all the powers, duties and discretions

conferred on or vested in the Directors by these Articles, and Regulations 64 and 89 shall be modified accordingly.

13. The Directors shall not be required to retire by rotation.

14. Subject as otherwise provided by these Articles, the Company may by Ordinary Resolution appoint a person who is willing to act, to be a Director, either to fill a vacancy or as an additional Director.

15. The Directors may also appoint a person who is willing to act, to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors. A Director so appointed shall not be subject to retirement or re-election at any Annual General Meeting.

16. In addition and without prejudice to the provisions of Sections 303 and 304 of the Act, the Company may by Extraordinary Resolution remove any Director before the expiration of his period of office and may, if thought fit, by Ordinary Resolution appoint another person in his stead. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

POWERS AND PROCEEDINGS OF DIRECTORS

17. Subject to the Act, a Director may vote at a meeting of Directors or of a committee of Directors (and may be counted in the quorum present at any such meeting) on any resolution concerning any matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company provided that at or prior to such meeting he complies in respect of such a matter with the disclosure provisions of Section 317 of the Act. Compliance with Section 317 of the Act shall be sufficient disclosure by a Director for the purpose of Regulations 85 and 86.

18. The Directors may exercise all the powers of the Company conferred by the Memorandum to pay and/or provide pensions, annuities, gratuities, superannuation and other allowances, benefits, advantages, facilities and services both for persons who are or have been Directors of, or who are or have been employed by the Company or by any subsidiary or associated company of the Company and their dependants and relatives and the Directors are entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers and Regulation 87 does not apply to the Company.

19. The Directors shall be entitled to such remuneration (if any) by way of fees salary or otherwise as shall from time to time be determined by resolution of the Directors and the Directors (including alternate Directors) shall also be entitled

to be paid their reasonable travelling, hotel and other expenses of attending and returning from meetings of the Company or otherwise incurred while engaged on the business of the Company or in the discharge of their duties and Regulations 82, 83 and 84 shall be amended accordingly.

20. Any Director who, by request of the Directors, performs special services for any purpose of the Company which in the opinion of the Directors is outside the normal scope of such Director's duties shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine, which shall be charged as part of the Company's ordinary revenue expenses.

21. Any Director or member of a committee of the Board may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

ALTERNATE DIRECTORS

22. The following provisions apply to the Company by way of variation of Regulations 65 to 69 inclusive:-

- (A) The appointment of an alternate Director shall automatically terminate on the happening of any event which, if he were a Director, would cause him to vacate the office of Director or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same Meeting;
- (B) An alternate Director shall be repaid by the Company such expenses as might properly be repaid to him if he had been a Director. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director;
- (C) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at Meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director and Regulation 88 shall be modified accordingly.

BORROWING POWERS

23. The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof without limit and to issue debentures and other securities whether outright or

as security (principal or collateral) for any debt liability or obligation of the Company or of any third party.

RIGHTS OF MAJORITY SHAREHOLDERS

24. (A) The holder or holders of not less than 51% of the nominal value of such part of the issued share capital of the Company as confers the right for the time being to attend and vote at all General Meetings of the Company ("the Majority Shareholders") shall have power at any time from time to time by notice in writing to the Company signed by or on behalf of the Majority Shareholders left at or sent by registered or recorded delivery post to the Registered Office of the Company to appoint any person to be a Director of the Company but so that the total number of Directors shall not at any time exceed any maximum number which may be fixed in accordance with these Articles.
- (B) In addition and without prejudice to the provisions of Section 303 of the Act, the Majority Shareholders shall have power at any time from time to time by notice in writing to the Company and to the Director concerned signed by or on behalf of the Majority Shareholders and left at or sent by registered or recorded delivery post to the Registered Office of the Company to remove any Director before the expiration of his period of office. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.
- (C) The Notices to be given under paragraphs (A) or (B) above may be comprised of several documents which together achieve the required majority.

RIGHTS OF HOLDING COMPANY

25. Whenever Pendigo Holdings Limited (Registered No. 1259869) ("the Holding Company"), or any 90% subsidiary of the Holding Company, shall be the holder of not less than 90 per cent. of the issued share capital of the Company as confers the right to attend and vote at all General Meetings the following provisions shall apply and to the extent of any inconsistency between this Article and the other provisions of these Articles, this Article 25 shall prevail:-

- (i) the Holding Company may at any time and from time to time appoint any person to be a Director or remove from office any Director howsoever appointed but so that in the case of a Director holding an executive office his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;

- (ii) no unissued shares or other securities shall be issued or agreed to be issued or put under option without the consent of the Holding Company;
- (iii) any or all powers of the Directors (or any of them) shall be restricted in such respects and to such extent as the Holding Company may by notice to the Company from time to time prescribe.

Any such appointment, removal, consent or notice as aforesaid shall be in writing served on the Company at its registered office and signed on behalf of the Holding Company by any two of its Directors or by any one of its Directors and its Secretary or some other person duly authorised for the purpose save that no person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors or any of them have been in any way restricted hereunder or as to whether any necessary consent of the Holding Company has been given and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.

NOTICES

26. Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice to a Director need not be in writing.

27. In Regulation 112 the words "or by telex or facsimile transmission" shall be inserted before the words "or by sending it by" and the words "first class" shall be inserted before the words "post in a prepaid envelope". The provisions of Regulation 112 as so varied shall (mutatis mutandis) apply also to notices to Directors.

28. Where a notice is sent by first class post, service of the notice, shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the same is posted.