



THE COMPANIES ACT 1985, AS AMENDED

PRIVATE COMPANY LIMITED BY SHARES

NEW  
ARTICLES OF ASSOCIATION  
(Adopted by Special Resolution passed on 1<sup>st</sup> December 2002)  
of  
Weavedegree Limited

Incorporated on 13 November 2002



**INTERPRETATION**

1. In these Articles, if not inconsistent with the subject or context:

“Act” means the Companies Act 1985 as amended or re-enacted from time to time;

“Table A” means Table A in the Schedule to the Companies (Tables A-F) Regulations 1985.

**TABLE A**

2. The regulations contained in Table A apply to the Company except in so far as they are excluded by or are inconsistent with these Articles.
3. Regulations 24, 73 to 81 inclusive, 94 and 95 of Table A do not apply to the Company.

**SHARE CAPITAL**

- 4.1. The directors shall have unconditional authority to allot, grant options over or otherwise dispose of any relevant securities (within the meaning of Section 80 (2) of the Act) to such persons at such times and on such conditions as they think proper. The authority hereby conferred shall, subject to Section 80 (7) of the Act, be for a period of five years after the date of adoption of these Articles unless renewed varied or revoked by the Company in general meeting and the maximum amount of relevant securities which may be allotted pursuant to such authority shall be the authorised but as yet unissued share capital of the Company at the date of adoption of these Articles, or where the authority is renewed, at the date of the renewal.
- 4.2. The directors shall be entitled under the authority contained in sub-paragraph A or any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.

5. The provisions of section 89(1) and 90 of the Act do not apply to the Company.
6. Subject to the provisions of the Act, the Company may purchase any of its own shares.
7. Subject to the provisions of the Act, the Company may make a payment in respect of any redemption or purchase of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.
8. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the member or members on such terms and in such manner as may be provided by these Articles.
9. Notwithstanding anything contained in these Articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof where such transfer:
  - 9.1. is to any bank or institution to which such shares have been charged by way of security, or to any nominee of such a bank or institution (a "**Secured Institution**"); or
  - 9.2. is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or
  - 9.3. is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security,

and furthermore notwithstanding anything to the contrary contained in these Articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall be required to offer the shares which are or are to be the subject of any transfer aforesaid to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not.

#### **PROCEEDINGS AT GENERAL MEETINGS**

10. In the case of joint holders of a share the signature of any one of them is sufficient for the purposes of passing resolutions in writing under regulation 53 of Table A.
11. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it think 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..
12. A proxy is entitled to vote on a show of hands and regulation 54 of Table A shall be modified accordingly.

#### **POWERS AND DUTIES OF DIRECTORS**

13. Subject to the provisions of the Act, a director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the

Company or with any other company in which the Company may be interested. He may hold, and be remunerated in respect of, any office or place of profit under the Company or any such other company (other than the office of auditor of the Company or any of its subsidiaries). He, or any firm of which he is a member, may act in a professional capacity for the Company or any such other company and be remunerated for doing so. Notwithstanding his interest, a director may vote on any matter in which he is interested and be included for the purpose of a quorum at the meeting at which it is considered. He may retain for his own benefit all profits and advantages accruing to him. Regulation 85 of Table A shall be modified accordingly.

## **BORROWING POWERS**

14. The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage charge or standard security over 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.
15. A director shall not be required to hold any qualification shares in the Company.

## **APPOINTMENT AND DISQUALIFICATION OF DIRECTORS**

16. A member or members holding more than one half of the issued ordinary shares of the Company may at any time appoint any person to be a director, either as an additional director or to fill a vacancy, and to remove from office any director however appointed. The appointment or removal shall be effected by notice in writing to the Company signed by the member or members giving it or, in the case of a corporate member, signed by a director and shall take effect when the notice is delivered to the registered office of the Company.
17. The office of a director is vacated:
  - 17.1. if by notice in writing to the Company he resigned his office of director;
  - 17.2. if he is for more than 6 months absent without permission of the directors from meetings of the directors held during that period, unless he has appointed an alternative director who has not been similarly absent during that period;
  - 17.3. if he becomes bankrupt or enters into any arrangement with his creditors;
  - 17.4. if he is prohibited from being a director by an order made under any provision of the Act;
  - 17.5. if he becomes of unsound mind;
  - 17.6. if he is removed from office under Article 16.
18. A director shall not be required to vacate his office or be ineligible for re-election, and no person shall be ineligible for appointment as a director, by reason only of his attaining or having attained any particular age.

## PROCEEDINGS OF DIRECTORS

19. A director may participate in a meeting of the directors or a committee of directors of which he is a member by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other. Participation in a meeting in this manner is deemed to constitute presence in person at the meeting.

## OVERRIDING PROVISIONS

20. Whenever all of the issued ordinary shares of the Company are held by or on behalf of one member (the "**Parent Company**") any or all powers of the directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe. Any such notice shall be in writing and signed by or on behalf of the Parent Company and shall take effect upon lodgment at the Office. No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the directors have been in any way restricted hereunder or as to whether any requisite consent of the Parent Company has been obtained 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 powers of the directors.