

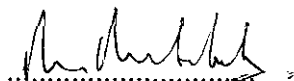
INEOS CHLOR GROUP LIMITED

COMPANY NO. 4687714

Shareholder resolution

It is hereby certified that the following resolution was duly passed (to take effect as a special resolution) on **27** March 2006 pursuant to section 381A of the Companies Act 1985 (as amended):

That the regulations in the form of the print attached to this written resolution marked "A" be and are hereby adopted as the new articles of association of the Company to replace in their entirety the existing articles of association of the Company.



Company Secretary

Presented by:
Ineos Chlor Group Limited
Hawkslease
Chapel Lane
Lyndhurst
Hampshire
SO43 7FG

(Reference: Martin Stokes)



COMPANY No. 4687714

“ A ”

COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

INEOS CHLOR GROUP LIMITED

(Adopted on 27 March 2006)

COMPANIES ACT 1985

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COMPANIES HOUSE 28/03/2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

INEOS CHLOR GROUP LIMITED

(Adopted on __ March 2006)

1. PRELIMINARY

1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No. 3373) (such Table being hereinafter called "**Table A**") shall apply to the Company save in so far as they are excluded or varied or are inconsistent with the following Articles and such regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the Articles of Association of the Company.

1.2 In regulation 1 of Table A, the words "and in Articles of Association adopting the same" shall be inserted after the first occurrence of the word "regulations" in the last paragraph of that regulation and the sentence "Any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force" shall be inserted at the end of that regulation.

1.3 Regulations 40, 41, 64, 73 to 80 (inclusive), 87, 90, 94 to 98 (inclusive), 101 and 118 of Table A shall not apply to the Company.

2. INTERPRETATION

2.1 In these Articles, the following expressions shall have the following meanings, unless the context otherwise requires:

"**the Act**" means the Companies Act 1985;

"acting in concert" has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force from time to time;

"Business" means, as the context so requires:

- (a) any part or parts of the Ineos Enterprises Business which the Scheme Committee, in its absolute discretion, designates to any Ineos Enterprises Tracker Share for the purposes of the Share Scheme; or
- (b) the Chlor Limited Business, which the Scheme Committee hereby designates to each Ineos Enterprises Tracker Share for the purposes of the Share Scheme;

"Business Tracker Shares" means the Chlor Limited Tracker Shares and the Ineos Enterprises Tracker Shares;

"Change of Control" means the acquisition (whether by purchase, transfer, renunciation or otherwise) by any person not a Member at the date of adoption of these articles (a **Third Party Purchaser**) of any interest in any Shares if (a) before completion of that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with him (together, the **Associated Parties**), did not hold more than 75% in nominal value of the Preference Shares, and (b) upon completion of that acquisition, the Associated Parties would hold more than 75% in nominal value of the Preference Shares;

"Chlor Limited Business" means the business carried out by Ineos Chlor Limited and its subsidiaries from time to time in relation to the production and sale of chlor-alkali, together with any expansion or modification thereof;

"Chlor Limited Tracker Shares" means the Chlor Limited Tracker Shares of 1 pence each in the capital of the Company, having the rights set out in these Articles and each of which is hereby designated to the Chlor Limited Business by the Scheme Committee;

"Come Along Notice" means a Come Along Notice as referred to in article 6.2;

"the Company" means Ineos Chlor Group Limited, a company incorporated in England and Wales (under registered number 4687714) whose registered office is at Hawkslease, Chapel Lane, Lyndhurst, Hampshire SO43 7FG;

"connected with" has the meaning ascribed to it in section 839 Income and Corporation Taxes Act 1988 save that there shall be deemed to be control for that purpose whenever either section 416 or section 840 of that act would so require;

"Group" means the Company and its Subsidiaries;

"Ineos Enterprises Business" means the business carried out by Ineos Enterprises Limited and its subsidiaries from time to time, including (a) the production and sale of brine, sulphur chemicals, chlorine, caustic, chlorinated paraffin, esters and bio-diesel, and (b) its Electrochemical Technology business, together with any expansion or modification thereof;

"Ineos Enterprises Tracker Shares" means the Ineos Enterprises Tracker Shares of 1 pence each in the capital of the Company, having the rights set out in these Articles and

each of which will be designated to a part or parts of the Ineos Enterprises Business by the Scheme Committee;

“Listing” means either:

- (a) the admission by the UK Listing Authority of all or any of the issued equity share capital of the Company to its Official List, and admission of such shares by London Stock Exchange to trading on its listed securities market, becoming effective; or
- (b) the granting of permission by the London Stock Exchange for the introduction of all or any of the issued equity share capital of the Company to the Alternative Investment Market, and such permission becoming effective; or
- (c) any equivalent admission to, or permission to deal on, any other Securities Exchange becoming unconditionally effective in relation to all or any of the issued equity share capital of the Company;

“London Stock Exchange” means London Stock Exchange plc or its successors from time to time;

“Member” means any registered holder of a Share at the relevant time;

“Preference Shares” means the preference shares of 1 pence each in the capital of the Company, having the rights set out in these Articles;

“Preference Shareholder” means a holder of Preference Shares;

“Sale” means the making of one or more agreements (whether conditional or not) for the disposal, transfer, purchase, subscription or renunciation of any part of the share capital of the Company giving rise to a Change of Control and for the purposes of this definition ***disposal*** shall mean a sale, transfer, assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the Share in question or voting rights attached thereto or an agreement to enter into such disposal or the grant of a right to compel entry into such an agreement;

“Scheme Committee” means the committee appointed by the board of directors of the Company with the authority to deal with the Share Scheme or such other committee as the board may determine from time to time;

“Securities Exchange” means any stock exchange or securities market which in the opinion of the Scheme Committee in its absolute discretion will provide a suitable market for trading in the Shares;

“Share” means any share in the capital of the Company;

“Share Scheme” means the Ineos Chlor Group Employee Share Scheme;

“Subsidiary” means, in relation to the Company, a subsidiary within the meaning given by section 736 of the Act; and

“Third Party Purchaser” has the meaning ascribed to it in the definition of **Change of Control** and, where the relevant acquisition was effected by the renunciation of a renounceable letter of allotment, shall include the relevant renouncee.

2.2 In these Articles, words importing a gender include every gender and references to persons shall include bodies corporate, unincorporated associations and partnerships.

2.3 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them.

2.4 The headings in these Articles shall not affect their construction or interpretation.

3. ALLOTMENT OF SHARES

3.1 The authorised share capital of the Company is £2,920 divided into 100,000 Preference Shares of £0.01 each, 32,000 Chlor Limited Tracker Shares of £0.01 each and 160,000 Ineos Enterprises Tracker Shares of £0.01 each.

3.2 The Preference Shares, the Chlor Limited Tracker Shares and the Ineos Enterprises Tracker Shares shall each be separate classes of shares and shall carry the rights and be subject to the restrictions set out in these Articles but shall otherwise rank *pari passu* in all other respects.

3.3 In accordance with section 91(1) of the Act sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

3.4 The directors are generally and unconditionally authorised for the purposes of section 80 of the Act to exercise any power of the Company to allot, and grant rights to subscribe for or convert securities into, Shares up to the amount of the authorised share capital as at the date of adoption of these Articles at any time or times during the period of five years from such date and the directors may, after that period, allot any Shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution.

3.5 On a Listing, the Preference Shares and the Business Tracker Shares shall be converted into new ordinary shares of the same class (**New Shares**) on the basis that each Member shall receive the same proportion of the total number of New Shares which would be in issue immediately after conversion (if all outstanding options had been exercised in full) as the proportion of Surplus Assets that each Member would receive on a liquidation of the Company (if all outstanding options had been exercised in full) in respect of his holdings of Shares under article 5.1, as conclusively determined by the Scheme Committee in its absolute discretion. The Members shall pass all resolutions and the Company shall take all steps required to give effect to such conversion.

3.6 The directors shall be entitled to issue Shares and securities without the issue of any share certificate representing such Shares or securities, and no Member shall be entitled to receive such a certificate, provided that the Company's Register of Members shall be

amended accordingly as evidence of such issue. Regulation 6 in Table A shall be modified accordingly.

4. SHARES

4.1 The lien conferred by regulation 8 in Table A shall attach also to fully paid-up Shares, and the Company shall also have a first and paramount lien on all Shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Regulation 8 in Table A shall be modified accordingly.

4.2 The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

5. CAPITAL AND DIVIDENDS

5.1 When on a return of capital, whether on liquidation, capital reduction or otherwise, the total amount of the return of capital (the **Surplus Assets**) has been determined (whether by the Directors or otherwise) the Scheme Committee shall, in its absolute discretion, determine what amount of the Surplus Assets is attributable to or derived from the Company's interests in the Ineos Enterprises Business (the **Ineos Enterprises Surplus Assets**) and what amount is attributable to or derived from the Company's interests in the Chlor Limited Business (the **Chlor Limited Surplus Assets**). The Scheme Committee shall then determine, in its absolute discretion, what amount of the Ineos Enterprises Surplus Assets, if any, is attributable to or derived from each Business comprised in the Ineos Enterprises Business (each such amount determined to be attributable to a Business comprised in the Ineos Enterprises Business being a **Ineos Enterprises Business Allocated Amount**). The Surplus Assets shall then be distributed as follows, in order of priority:

- (a) firstly, an amount equal to the lower of:
 - (i) the consolidated net asset value of the Company as at the date of launch of the Share Scheme, as determined by the Scheme Committee in its absolute discretion, but having regard to the valuation (if any) agreed with the Inland Revenue at or around that time (the **Revenue Value**); and
 - (ii) the amount of the Ineos Enterprises Surplus Assets,

shall be distributed amongst the holders of the Preference Shares in proportion to the numbers of Preference Shares held by them respectively, and such distribution shall be deemed to be made out of each Ineos Enterprises Business Allocated Amount pro rata to each Ineos Enterprises Business Allocated Amount;

- (b) secondly, an amount equal to the lower of:
- (i) the amount which would, had such amount together with the amount distributed pursuant to article 5.1(a) been distributed amongst the holders of the Ineos Enterprises Tracker Shares designated to the relevant Business (such that such holders would have received a portion of the aggregate amount, such portion being equal to 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) multiplied by a fraction where the numerator is the number of issued Ineos Enterprises Tracker Shares designated to the relevant Business and the denominator is the total number of authorised Ineos Enterprises Tracker Shares designated to the relevant Business (such fraction to be determined by, and such calculations to be carried out by, the Scheme Committee)) and the holders of Preference Shares (such that such holders would have received the remainder of such aggregate amount), have resulted in the holders of Preference Shares receiving the amount actually distributed to them pursuant to article 5.1(a); and
 - (ii) the amount of the relevant Ineos Enterprises Business Allocated Amount remaining following the distribution deemed to have been made out of such Ineos Enterprises Business Allocated Amount pursuant to article 5.1(a),

shall be distributed (out of such amount of the relevant Ineos Enterprises Business Allocated Amount as remains following the distribution deemed to have been made out of such Ineos Enterprises Business Allocated Amount pursuant to article 5.1(a)) amongst the holders of Ineos Enterprises Tracker Shares designated to the relevant Business in proportion to the numbers of Ineos Enterprises Tracker Shares designated to such Business held by them respectively; and some or all of the amount of the Surplus Assets which would have been attributable to the holders of the authorised but unissued Ineos Enterprises Tracker Shares designated to such Business had such shares been issued, may in the absolute discretion of the Scheme Committee be distributed to the holders of Ineos Enterprises Tracker Shares designated to such Business or designated to one or more other Businesses in such amounts and in such manner as the Scheme Committee may in its absolute discretion determine;

- (c) thirdly, 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) of each Ineos Enterprises Business Allocated Amount remaining after the distributions referred to in articles 5.1(a) and 5.1(b), multiplied by a fraction where the numerator is the number of issued Ineos Enterprises Tracker Shares designated to the relevant Business and the denominator is the total number of authorised Ineos Enterprises Tracker Shares designated to the relevant Business (such fraction to be determined by, and such calculations to be carried out by, the Scheme Committee), shall be distributed amongst the holders of Ineos Enterprises Tracker Shares designated to the relevant Business in proportion to the numbers of Ineos Enterprises Tracker Shares designated to such Business held by them respectively; and some or all of the amount of the Surplus Assets which would have been attributable to the holders of the authorised but unissued Ineos Enterprises Tracker Shares designated to such Business had such shares been

issued, may in the absolute discretion of the Scheme Committee be distributed to the holders of Ineos Enterprises Tracker Shares designated to such Business or designated to one or more other Businesses in such amounts and in such manner as the Scheme Committee may in its absolute discretion determine;

- (d) fourthly, 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) of the Chlor Limited Surplus Assets, multiplied by a fraction where the numerator is the number of issued Chlor Limited Tracker Shares and the denominator is the total number of authorised Chlor Limited Tracker Shares, such fraction to be determined by, and such calculations to be carried out by, the Scheme Committee, shall be distributed amongst the holders of Chlor Limited Tracker Shares in proportion to the numbers of Chlor Limited Tracker Shares held by them respectively; subject to the discretion of the Scheme Committee to determine that a higher amount may be so distributed, up to a maximum aggregate distribution of 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) of the Chlor Limited Surplus Assets;
- (e) fifthly, to the extent that the amount of the Surplus Assets exceeds the sum of the Ineos Enterprises Surplus Assets and the Chlor Limited Surplus Assets, the Scheme Committee may, in its absolute discretion, distribute up to 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) of such excess surplus assets to the holders of Business Tracker Shares in such amounts and in such manner as it may, in its absolute discretion, determine; and
- (f) lastly, any remaining Surplus Assets shall be distributed amongst the holders of the Preference Shares in proportion to the numbers of Preference Shares held by them respectively.

5.2 If any profits of the Company are available to be, and are resolved by the Directors to be, distributed in any financial year, the Scheme Committee shall, in its absolute discretion, determine what portion of such profits after attributed interest and tax (**Profits**) is attributable to or derived from the Company's interests in the Ineos Enterprises Business (the **Ineos Enterprises Profits**) and what portion is attributable to or derived from the Company's interests in the Chlor Limited Business (the **Chlor Limited Profits**). The Scheme Committee shall then determine, in its absolute discretion, what portion of the Ineos Enterprises Profits, if any, is attributable to or derived from each Business comprised in the Ineos Enterprises Business (each such amount being a **Ineos Enterprises Business Profits Amount**). The Profits shall then be distributed as follows, in order of priority:

- (a) firstly, each holder of Preference Shares shall be entitled to receive a cumulative preferential dividend per Preference Share equal to 3 per cent. of the nominal value of such Preference Share, which dividend shall be calculated on the basis of a 365 day year and shall be deemed to accrue from day to day from the date of issue of the relevant Preference Share. If and to the extent that the amount of Ineos Enterprises Profits available for distribution on any date on which Profits are distributed is insufficient to satisfy such dividend, the amount of the shortfall shall be payable on the next date on which Profits are distributed by the Company. Such

distribution shall be deemed to be made out of each Ineos Enterprises Business Profits Amount pro rata to each Ineos Enterprises Business Profits Amount. Any amount distributed in accordance with this article 5.2(a) shall be the ***Preference Share Distribution Amount***;

- (b) secondly, an amount equal to the lower of:
- (i) the amount which would, had such amount together with the amount distributed pursuant to article 5.2(a) been distributed amongst the holders of the Ineos Enterprises Tracker Shares designated to the relevant Business (such that such holders would have received a portion of the aggregate amount, such portion being equal to 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) multiplied by a fraction where the numerator is the number of issued Ineos Enterprises Tracker Shares designated to the relevant Business and the denominator is the total number of authorised Ineos Enterprises Tracker Shares designated to the relevant Business (such fraction to be determined by, and such calculations to be carried out by, the Scheme Committee)) and the holders of Preference Shares (such that such holders would have received the remainder of such aggregate amount), have resulted in the holders of Preference Shares receiving the amount actually distributed to them pursuant to article 5.2(a); and
 - (ii) the amount of the relevant Ineos Enterprises Business Profits Amount remaining following the distribution deemed to have been made out of such Ineos Enterprises Business Profits Amount pursuant to article 5.1(a),

shall be distributed (out of such amount of the relevant Ineos Enterprises Business Profits Amount as remains following the distribution referred to in article 5.2(a)) amongst the holders of Ineos Enterprises Tracker Shares designated to the relevant Business in proportion to the numbers of Ineos Enterprises Tracker Shares designated to such Business held by them respectively; and some or all of the amount of the Profits which would have been attributable to the holders of the authorised but unissued Ineos Enterprises Tracker Shares designated to such Business had such shares been issued, may in the absolute discretion of the Scheme Committee be distributed to the holders of Ineos Enterprises Tracker Shares designated to such Business or designated to one or more other Businesses in such amounts and in such manner as the Scheme Committee may in its absolute discretion determine;

- (c) thirdly, 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) of each Ineos Enterprises Business Profits Amount remaining after the distributions referred to in articles 5.2(a) and 5.2(b), multiplied by a fraction where the numerator is the number of issued Ineos Enterprises Tracker Shares designated to the relevant Business and the denominator is the total number of authorised Ineos Enterprises Tracker Shares designated to the relevant Business (such fraction to be determined by, and such calculations to be carried out by, the Scheme Committee), shall be distributed amongst the holders of Ineos Enterprises Tracker Shares designated to the relevant Business in proportion to the numbers of Ineos Enterprises Tracker Shares designated to such Business held by

them respectively; and some or all of the amount of the Profits which would have been attributable to the holders of the authorised but unissued Ineos Enterprises Tracker Shares designated to such Business had such shares been issued, may in the absolute discretion of the Scheme Committee be distributed to the holders of Ineos Enterprises Tracker Shares designated to such Business or designated to one or more other Businesses in such amounts and in such manner as the Scheme Committee may in its absolute discretion determine;

- (d) fourthly, the holders of the Chlor Limited Tracker Shares shall be entitled to receive an amount determined by the Scheme Committee in its absolute discretion which shall not exceed 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) of the Chlor Limited Profits, such amount to be distributed amongst the holders of the Chlor Limited Tracker Shares in proportion to the numbers of Chlor Limited Tracker Shares held by them respectively;
- (e) fifthly, to the extent that the amount of the Profits exceeds the sum of the Ineos Enterprises Profits and the Chlor Limited Profits, the Scheme Committee may, in its absolute discretion, distribute up to 10% (or such higher percentage as the Scheme Committee may determine in its absolute discretion) of such excess profits to the holders of Business Tracker Shares in such amounts and in such manner as it may, in its absolute discretion, determine; and
- (f) lastly, any remaining Profits shall be distributed amongst the holders of the Preference Shares in proportion to the numbers of Preference Shares held by them respectively.

5.3 For the avoidance of doubt, notwithstanding that the holders of the Preference Shares may become entitled to receive any amount of Profits in respect of any financial year, the Scheme Committee shall not be obliged to determine that any amount be payable to the holders of any Business Tracker Shares in respect of that financial year.

6. COME ALONG OPTION

6.1 If the holders of 60% or more in nominal value of the issued Preference Shares at any one time (the ***Selling Shareholders***) wish to transfer all of their Shares (the ***Relevant Shares***) to a Third Party Purchaser, the Selling Shareholders shall have the option (the ***Come Along Option***) to require each holder of Shares to transfer all such Shares with full title guarantee to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this article 6.

6.2 The Selling Shareholders may exercise the Come Along Option by giving notice to that effect (a ***Come Along Notice***) to all other shareholders and holders of options to subscribe for Shares (the ***Called Shareholders***). A Come Along Notice shall specify that the Called Shareholders are required to transfer all of their Shares (the ***Called Shares***) pursuant to article 6.1 to the Third Party Purchaser, the price at which the Called Shares are to be transferred (determined in accordance with article 6.4), the proposed date of transfer and the identity of the Third Party Purchaser.

6.3 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if for any reason all of the Shares are not sold to the Third Party Purchaser within 60 days after the date of the Come Along Notice.

6.4 The Called Shareholders (including option holders who become Members after the date of the Come Along Notice) shall be obliged to sell the Called Shares at the price specified in the Come Along Notice (the consideration being expressed in cash or securities or any combination thereof, and may include consideration which is contingent) which shall attribute to each of the Shares the amount which would be payable to the holder thereof in a liquidation of the Company if the aggregate consideration provided by the Third Party Purchaser were a surplus in that liquidation.

6.5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Shares unless:

- (a) all of the Called Shareholders and the Selling Shareholders agree otherwise; or
- (b) that date is less than 7 days after the Come Along Notice, where it shall be deferred until the 7th day after the Come Along Notice.

6.6 Each of the Called Shareholders shall on service of the Come Along Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney to execute any stock transfer form, to agree to become a member of any company whose shares are offered as consideration under the Sale and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Called Shares pursuant to this article 6. Any rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of Shares to the Third Party Purchaser named in a Come Along Notice.

6.7 In connection with the Sale of the Called Shares, the provisions of this article 6 shall prevail over any contrary provisions of these Articles or the rules of the Share Scheme.

6.8 If any Selling Shareholder or Called Shareholder receives a greater share of the consideration for the Shares than is his entitlement in accordance with article 6.4, he shall hold the excess on trust for each Selling Shareholder or Called Shareholder who received less than his entitlement in proportion to each of their shortfalls.

7. TAG ALONG

7.1 Unless a Come Along Notice is issued in accordance with article 6 and subject to the prior approval of the Scheme Committee but notwithstanding any other provision in these Articles, no sale or transfer or other disposition of any interest in any Share (the *Specified Shares*) shall have any effect if it would result in a Change in Control unless, before the transfer is lodged for registration, the Third Party Purchaser has made a bona fide offer in accordance with these Articles to purchase at the same price as is specified in article 6.4 all the Shares held by Members who are not acting in concert or otherwise connected with the Third Party Purchaser.

7.2 An offer made under article 7.1 shall be in writing, shall be given in accordance with the notice requirements in these Articles, shall be open for acceptance for at least 21 days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer.

7.3 In applying the provisions of article 7.1, the expression 'transfer' shall include the renunciation of a renounceable letter of allotment, and any renouncer and renounee of such letter of allotment shall be considered to be a 'transferor' and 'transferee' respectively.

8. GENERAL MEETINGS AND RESOLUTIONS

8.1 Every notice convening a general meeting shall comply with the provisions of section 372(3) 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 directors and to the auditors for the time being of the Company.

8.2.1 No business shall be transacted at any general meeting unless a quorum of Preference Shareholders is present. One Member holding more than one half in nominal value of the issued Preference Shares for the time being and present in person or by proxy or by representative shall constitute a quorum and shall be deemed for this purpose to constitute a valid meeting. If no Member holds more than one half in nominal value of the issued Preference Shares, then two Preference Shareholders present in person or by proxy or representative shall be a quorum.

8.2.2 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting 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 general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved.

8.3.1 If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting, subject as provided in article 8.3.3 below.

8.3.2 Any decision taken by a sole Member pursuant to article 8.3.1 above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's minute book.

8.3.3 Resolutions under section 303 of the Act for the removal of a director before the expiration of his period of office and under section 391 of the Act for the removal of an auditor before the expiration of his period of office shall only be considered by the Company in general meeting.

8.4 A Preference Shareholder present at a meeting by proxy shall be entitled to speak at the meeting and shall be entitled to one vote on a show of hands, and, on a poll, one vote for each Preference Share of which he is the holder. In any case where the same person is appointed proxy for more than one Member he shall on a show of hands have as many votes as the number of Members for whom he is proxy and regulation 54 in Table A shall be modified accordingly. Business Tracker Shares shall not entitle the holder to vote upon any resolution other than a resolution directly and adversely varying or abrogating any of the special rights attached to such Business Tracker Shares.

8.5 Unless resolved by ordinary resolution that regulation 62 in Table A shall apply without the modification described in this article, the appointment of a proxy and any authority under which the proxy is appointed or a copy of such authority certified notarially or in some other way approved by the directors may be deposited or received at the place specified in regulation 62 in Table A up to the commencement of the meeting or (in any case where a poll is taken otherwise than at the meeting) of the taking of the poll or may be handed to the chairman of the meeting prior to the commencement of the business of the meeting.

9. SCHEME COMMITTEE

9.1 The Scheme Committee shall have the power and authority to make all determinations in its absolute discretion which, in accordance with these Articles or the rules of the Share Scheme, are to be made by it, including, but not limited to:

- (a) determining what portion of the Group's borrowings, interest expense and tax and other charges is attributable to or derived from the Company's interests in the Ineos Enterprises Business and what portion is attributable to or derived from the Company's interests in the Chlor Limited Business; and
- (b) determining what portion of the amount which is attributed to the Company's interests in the Ineos Enterprises Business in accordance with article 9.1(a) above is attributable to or derived from each of the Businesses comprised in the Ineos Enterprises Business.

9.2 The Scheme Committee shall determine in its absolute discretion which Business comprised in the Ineos Enterprises Business shall be designated to each Ineos Enterprises Tracker Share. Each Ineos Enterprises Tracker Share shall thereupon be designated by the name of such Business and the rights of that Ineos Enterprises Tracker Share to dividends and to a return of capital shall thereafter be determined accordingly.

9.3 The Scheme Committee shall conclusively determine in its absolute discretion the Business to which any expansion or new investment is to be attributed.

9.3 Any determination of the Scheme Committee in accordance with or for the purposes of these Articles or the rules of the Share Scheme shall be conclusive and binding on all Members. No member of the Scheme Committee shall have any liability in respect of any determination, other act or omission of the Scheme Committee and the Company shall indemnify each member of the Scheme Committee to the full extent permitted by law against, and shall pay all costs of advice taken by any member of the

Scheme Committee in connection with, all claims and proceedings brought, and any costs, liabilities and damages incurred or paid in connection with, any determination, act or omission of the Scheme Committee.

9.3 The Scheme Committee shall have the right to require the production at the expense of the Company of such papers and accounts as it may require, and is authorised to engage accountants to assist it at the expense of the Company, to enable it to make any of the determinations described in these Articles or in the rules of the Share Scheme.

10. APPOINTMENT OF DIRECTORS

10.1 The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall be no maximum number of directors and the minimum number of directors shall be one. Whenever the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the directors generally, and regulation 89 in Table A shall be modified accordingly.

10.2 The directors shall not be required to retire by rotation.

10.3 No person shall be appointed a director at any general meeting unless either:

- (a) he is recommended by the directors; or
- (b) not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice signed by a Member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.

10.4.1 Subject to article 10.3 above, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.

10.4.2 The directors may 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 determined in accordance with article 10.1 above as the maximum number of directors and for the time being in force.

10.5 In any case where as the result of death or deaths the Company has no Members and no directors the personal representatives of the last Member to have died shall have the right by notice in writing to appoint a person to be a director of the Company and such appointment shall be as effective as if made by the Company in general meeting pursuant to article 10.4.1 above. For the purpose of this article, where two or more Members die in circumstances rendering it uncertain which of them survived the other or others, the Members shall be deemed to have died in order of seniority, and accordingly the younger shall be deemed to have survived the elder.

10.6 In its application to the Company, regulation 84 of Table A shall be modified by the deletion of the third and final sentences.

11. BORROWING POWERS

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.

12. ALTERNATE DIRECTORS

12.1 Unless otherwise determined by the Company in general meeting by ordinary resolution an alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of regulation 66 in Table A shall be modified accordingly.

12.2 A director, or any such other person as is mentioned in regulation 65 in Table A (as modified by the deletion of the words "approved by resolution of the directors and"), may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of 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, but he shall count as only one for the purpose of determining whether a quorum is present.

13. GRATUITIES AND PENSIONS

13.1 The directors may exercise the powers of the Company conferred by its Memorandum of Association in relation to the payment of pensions, gratuities and other benefits and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

14. PROCEEDINGS OF DIRECTORS

14.1 A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, and may form part of a quorum present at that meeting, notwithstanding that the resolution in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting. The provisions of regulation 86 of Table A shall be taken to apply equally to any disclosure to be made under the provisions of this article.

14.2 Each director shall comply with his obligations to disclose his interest in contracts under section 317 of the Act.

15. THE SEAL

15.1 If the Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or second director. The obligation under regulation 6 in Table A relating to the sealing of share certificates shall apply only if the Company has a seal.

15.2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

16. INDEMNITY

16.1 Every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this article shall only have effect in so far as its provisions are not avoided by section 310 of the Act.

16.2 The directors shall have power to purchase and maintain for any director, officer or auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act.

17. TRANSFER OF SHARES

17.1 Subject to article 17.2, the directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of a Share, whether or not it is a fully paid Share, and the first sentence of regulation 24 in Table A shall not apply to the Company.

17.2 If:

- (a) the transfer of a Business Tracker Share or transfer of the beneficial interest in a Business Tracker Share has been made in accordance with the rules of the Share Scheme or the terms of an Option Agreement (as defined in the rules of the Share Scheme), as determined by the Scheme Committee; or
- (b) a Preference Shareholder has transferred any Preference Shares or any interest therein for any consideration to any other Preference Shareholder; or

- (c) a Preference Shareholder has transferred any Preference Shares or any interest therein for any consideration to any person who is not a Member and, in the case of a Preference Shareholder who does not hold more than one half in nominal value of the issued Preference Shares immediately before such transfer, the Scheme Committee has given its prior consent to such transfer,

the directors shall be obliged to register such transfer, if it is a transfer of the legal interest in such Share, and shall be obliged to permit such transfer, if it is a transfer of the beneficial interest in such Share.

18. ELECTRONIC COMMUNICATIONS

18.1 Any director who participates in the proceedings of a meeting by means of an electronic communication by which all the other directors present at such meeting (whether in person or by alternate or by means of electronic communication) may hear at all times such director and such director may hear at all times all other directors present at such meeting (whether in person or by alternate or by means of electronic communication) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.

18.2 In their application to the Company, regulations 60 and 61 of Table A shall be modified by the addition of the following sentence:

“The appointment of a proxy may be contained in an electronic communication sent to such address (including any number) as may be notified by or on behalf of the Company for that purpose and may be in such form as the directors may approve including requirements as to the use of such discrete identifier or provision of such other information by a member so as to verify the identity of such member and as to the authenticity of any electronic signature thereon.”

18.3 In its application to the Company, regulation 62 of Table A shall be modified by the addition of the following sentences:

“In the event that more than one appointment of a proxy relating to the same Share is so delivered or received for the purposes of the same meeting, the appointment last delivered or received (whether in writing or contained in an electronic communication) shall prevail in conferring authority on the person named therein to attend the meeting and vote. An appointment of proxy contained in an electronic communication found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.”

18.4 In its application to the Company, regulation 115 of Table A shall be modified by the addition of the following after the words “after the time it was sent” at the end of the third sentence:

“notwithstanding that the Company is aware of the failure in delivery of such electronic communication. Without prejudice to such deemed delivery, if the Company is aware of the failure in delivery of an electronic communication and

has sought to give notice by such means at least three times, it shall send the notice in writing by post within 48 hours of the original attempt”.

19. POWER OF ATTORNEY

19.1 Each of the Members hereby irrevocably and unconditionally appoints the Company and each of the Directors (on a several basis) as its attorney to execute and do in its name or otherwise and on its behalf all documents, acts and things which the attorney shall in its absolute discretion consider necessary or desirable in order to implement the obligations of that Member under these Articles of Association.

19.2 Each Member undertakes to ratify whatever the Company or any Director as its attorney shall lawfully do or cause to be done in accordance with this power of attorney and to indemnify and keep such attorney indemnified from all claims, costs, expenses damages and losses which the attorney may suffer as a result of the lawful exercise by him of the powers conferred on him under this power of attorney.