

Company Number: 03502256

THE COMPANIES ACTS 1985 AND 2006

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COMPANY LIMITED BY SHARES

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WRITTEN RESOLUTION OF THE MEMBERS

of

VISCOSE SLEEVING LIMITED

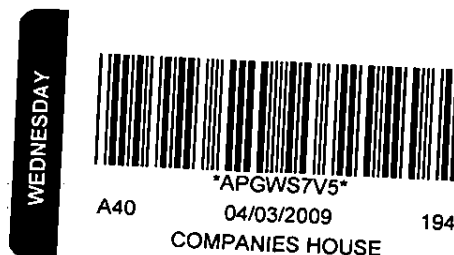
(the "Company")

Pursuant to chapter 2 of part 13 of the Companies Act 2006, the following resolution (the "Resolution") is proposed by the directors as a special resolution and is circulated to the members of the Company on 18<sup>th</sup> February 2009 (the "Circulation Date").

SPECIAL RESOLUTION

**THAT** the regulations set forth in the printed document appended to the Resolution and, for the purposes of identification, initialled on the front page by a director of the Company be approved and adopted as the articles of association of the Company, in substitution for, and to the exclusion of, all existing articles of association thereof.

Please read the notes set out below before signing or taking any action on the Resolution.




**AGREEMENT OF MEMBERS**

We, each being a person entitled to vote on the Resolution on the Circulation Date,  
irrevocably agree to the Resolution:

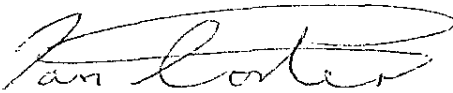
SIGNED by WILLIAM JOHN CARTWRIGHT

) 


SIGNED by KEITH FOALE

) 


SIGNED by IAN JOHN COSTER

) 

SIGNED by DOROTHY MARGARET GORMAN

) 

SIGNED by CAROL ANN WOOLLARD

) 

## NOTES

1. If you agree with the Resolution, please:
  - 1.1 sign this document above alongside your name or the name of the person on whose behalf you are authorised to act; and
  - 1.2 return the signed document (together with a copy of any authority under which you have signed it – see note 3 below) by one of the following methods:
    - 1.2.1 by delivery in person or by hand to the Company Secretary, Viscose Sleaving Limited, Units 1 & 2, Fleming Way Industrial Centre, Crawley, West Sussex RH10 9JY; or
    - 1.2.2 by post to the Company Secretary, Viscose Sleaving Limited, Units 1 & 2, Fleming Way Industrial Centre, Crawley, West Sussex RH10 9JY.
2. Unless by the end of the period of 28 days beginning with the Circulation Date sufficient agreement has been received by the Company for the Resolution to pass, it will lapse.
3. If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power or authority when returning this document, as set out in note 1.1 above.

THE COMPANIES ACTS 1985 TO 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

VISCOSE SLEEVING LIMITED

Adopted by special resolution of the Company passed on 18<sup>th</sup> Feb 2009

1. Preliminary

Except as otherwise provided in these Articles of Association ("these Articles") the regulations contained in Table A shall constitute the regulations of the Company. In the case of any inconsistency between these Articles and the regulations of Table A, the provisions of these Articles shall prevail. A copy of Table A is set out in the schedule to these Articles.

2. Definitions and interpretation

2.1 In these Articles:

- (a) the following words and expressions shall (except where the context otherwise requires) have the following meanings:

"Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006 for the time being in force;

"Business Day" means any day other than a Saturday, Sunday or a public holiday in England;

"Company" refers to the above named company;

"Directors" means the directors of the Company from time to time;

"electronic communication" has the same meaning as in the Electronic Communications Act 2000;

"Family Trust" means the trustees of a trust whose beneficiaries do not include anyone other than a member, and anyone other than the spouse, brother, sister, mother, father, son, daughter, nephew, niece, cousin or grandchild of that member;

"Group" means in relation to a company that company and its subsidiaries and holding companies and any other subsidiaries of any such holding company from time to time, and reference to "Group Company" will be construed accordingly;

**"Privileged Person"** means in relation to a member or former member, his Family Trust, Sole Company, spouse (or long-term cohabiting partner), brother, sister, mother, father, son, daughter, nephew, niece, cousin or grandchild;

**"Sole Company"** means in relation to a member or a former member (as the case may be) a company of which the only shareholders are that member or former member and/or any Privileged Person in relation to that member or former member; and

**"Table A"** means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (S.I. 1985/805) as amended up to and including the date of incorporation of the Company to the extent such amendments apply to a private company limited by shares; and

- (b) words and expressions defined in the Act or Table A shall have the same meanings in these Articles unless the context otherwise requires.

### **3. Nature of the Company and share capital**

The Company is a private company limited by shares. The authorised share capital of the Company as at the date of these Articles is £891,670 divided into 891,670 ordinary shares of £1 each.

### **4. Shares**

4.1 During the period of five years from the adoption of these Articles by the Company, the directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot up to a maximum nominal amount of relevant securities (as the same are defined in section 80 of the Companies Act 1985) equal to the nominal amount of the authorised but unissued share capital of the Company at the date of the adoption of these Articles and so that section 89(1) of the Companies Act 1985 shall not apply to any allotment in the said five year period of up to a maximum nominal amount of such authorised but unissued share capital.

4.2 The directors may also at any time after the expiry of the authority granted by Article 4.1 allot any relevant securities the subject of such authority in accordance with any offer or agreement which is made by the Company prior to such expiry.

### **5. Lien**

5.1 The Company shall have a first lien on every share (whether or not fully paid) for any amount (whether presently payable or not) owing to the Company from the holder (whether a sole holder or one of two or more joint holders) and whether or not it is owing in respect of that share.

5.2 Regulation 8 of Table A shall not apply.

### **6. Transfer of Shares**

Save as hereinafter provided, the transferor shall be deemed to be the holder of any shares which have been or are to be transferred until the name of the transferee is entered in the register of members in respect thereof.

## 7. Limitation of Transfer Rights

- 7.1 No share (or any of the beneficial interest therein) may be transferred to any person other than as permitted by and in accordance with these Articles.
- 7.2 No member shall sell, transfer, assign, pledge, charge, in favour of any other person or otherwise dispose of any share or any interest in any share except:
- (a) with the prior written consent of all other members; or
  - (b) as permitted by (but subject always to the terms of) any of Articles 7.3, 8 and 9.
- 7.3 Without prejudice to Articles 8 and 9, the following transfers of shares may occur at any time:
- (a) a transfer by any member, being an individual, to a Privileged Person of that member;
  - (b) by any person entitled to shares by transmission to the Privileged Person of the member from whom he derives his entitlement;
  - (c) by a Family Trust to any beneficiary of that Family Trust or, on any change of trustees, to the new trustees of that Family Trust;
  - (d) by a corporate member to any company which is in its Group;
  - (e) by a Privileged Person of a member to another Privileged Person of that member or former member or to such member or former member, provided always that in any such case at the time of such transfer such member or former member must be a director, consultant or employee of any of the Company's Group; or
  - (f) by any member or Privileged Person in relation to such member to any company which is a Sole Company in relation to that member or former member provided always that in any such case at the time of such transfer the Sole Company must be wholly owned by an individual (and or the Privileged Persons in relation to such individual) who is at the time of such transfer a director, consultant or employee of any of the Company's Group.

## 8. Transfer of Shares Subject to Pre-emption Rights

- 8.1 Except where Article 9 applies to such member, a member wishing to transfer any of its shares ("**Selling Member**") may at any time give notice in writing ("**Transfer Notice**") to the Company irrevocably appointing the Company as its agent for the sale of the shares mentioned in the notice ("**Sale Shares**"). A Transfer Notice may relate to more than one class of shares. The Transfer Notice shall specify the price per share at which the Selling Member wishes to sell the Sale Shares (the member being able to specify a different price per share for each class of share offered if he wishes) and whether he is prepared to sell part or only the whole of the Sale Shares (such condition that he is prepared to sell only the whole of the Sale Shares being a "**Total Transfer Condition**").
- 8.2 If, upon receipt of the Transfer Notice, the Company disagrees with the price stated by the Selling Member, and the dispute is not resolved within 14 days of receipt of the

Transfer Notice by the Company, an accountant nominated by agreement between the Selling Member and the Directors (or in default of agreement within such 14 day period of an accountant appointed by agreement, an accountant nominated at the option of either the Selling Member or the Company by the then President of the Institute of Chartered Accountants in England and Wales) shall certify the fair value of the Sale Shares.

- 8.3 If an accountant is asked to certify the fair value pursuant to Article 8.2, he shall be deemed to be acting as expert and not as arbitrator and his certificate as to the fair value shall be binding (save in the case of manifest error). His certificate shall be delivered to the Company as soon as practicable and as soon as practicable after the Company receives the certificate it shall furnish a certified copy thereof to the Selling Member. The Selling Member shall be entitled by notice in writing given to the Company within ten days of the service upon him of the said certified copy, to cancel the Company's authority to sell the Sale Shares (unless such authority arises under a notice served pursuant to Article 9). In the event that:

- (a) the fair value of the Sale Shares certified by the accountant is less than 90 per cent. of the value specified by the Selling Member in his Transfer Notice; or
- (b) the Selling Member withdraws his Transfer Notice pursuant to this Article 8.3,

the costs of obtaining the certificate shall be borne by the Selling Member. In all other instances such costs shall be borne by the Company.

- 8.4 Upon the price being agreed or certified as aforesaid and the Selling Member not having cancelled the Transfer Notice as permitted by Article 8.3, the Company shall forthwith upon the expiry of the ten day period described in Article 8.3 by notice in writing ("**Offer Notice**") offer the Sale Shares at the price so agreed or certified to all members (other than (a) the Selling Member, (b) any Privileged Person of that member, (c) any member which is a member of the same Group of companies as such member, and (d) any member who has served or is deemed to have served a Transfer Notice in respect of shares and which sale has not concluded). The offer shall invite each member to state in writing to the Company within 21 days of the date of the offer (such 21 day period being the "**Offer Period**") whether he wishes to accept the offer and, if so, the number of Sale Shares such member wishes to purchase.

- 8.5 If a member wishes to accept the shares the subject of an Offer Notice such member ("**Accepting Member**") shall give written notice to the Company within the Offer Period, specifying the number of Sale Shares such member wishes to purchase.

- 8.6 If the total number of shares which Accepting Members wish to purchase exceeds the number of Sale Shares of the class or classes on offer the Company shall on expiry of the Offer Period allocate the Sale Shares as follows:

- (a) first to and amongst the Accepting Members who hold shares of the same class (and, in the case of competition pro rata according to the number of shares of such class of which they are registered or unconditionally entitled to be registered as holders); and
- (b) second (if any of the Sale Shares of any class shall remain after such applicants have been satisfied in full), to and amongst the remaining applicants (including, as the case may be, members holding another class of shares in the capital of the Company) (and in the case of competition pro rata according to the number of shares in the capital of the Company held by such persons)

provided that no applicant shall be obliged to take more than the maximum number of shares of the class or classes applied for by him as aforesaid.

- 8.7 Within ten days of the expiry of the Offer Period, the Company (acting by the Directors) shall by notice in writing (an "**Allocation Notice**") advise the Selling Member of the name of each intended transferee and the numbers and classes of share such transferee wishes to acquire and each such intending transferee of the numbers and class of shares to be allocated to him for transfer. The Selling Member shall be bound to transfer the shares comprised in an Allocation Notice to the transferees named therein at the time and place therein specified; and if he shall fail to do so, the chairman of the Company or some other person appointed by the Directors shall be deemed to have been appointed attorney of the Selling Member with full power to execute, complete and deliver, in the name and on behalf of the Selling Member, transfers of the shares to the transferees thereof against payment of the price to the Company. On payment of the price to the Company a transferee shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer of the shares. The Company shall forthwith pay the price into a separate bank account in the Company's name and shall hold such price in trust for the Selling Member (subject always to the Company being entitled to deduct from such price monies (including, if any, any unpaid costs of a valuation made by an accountant pursuant to Article 8.3) in respect of which the Company has a lien).
- 8.8 For the purposes of this Article 8, fractions of shares shall be rounded to the nearest whole share or otherwise dealt with in the context of allocation of shares for transfer at the discretion of the Directors.
- 8.9 If there are no or insufficient acceptances of Sale Shares where the Selling Member has stated (and is entitled to so state) a Total Transfer Condition:
- (a) the Company shall inform the Selling Member and any Accepting Members within seven days of the expiry of the Offer Period that there have been insufficient acceptances; and
  - (b) the relevant Transfer Notice shall be deemed to have lapsed and be of no further effect as at the expiry of the relevant Offer Period (but without prejudice to any liability that may have accrued to the Selling Member to pay the costs of a valuation made by an accountant pursuant to Article 8.3).
- 8.10 During the six months following the expiry of the said period of ten days referred to in Article 8.7, the Selling Member shall be at liberty to transfer to any persons and at any price (not being less than the price agreed or fixed under Articles 8.2 or 8.3) any share the subject of a Transfer Notice which was not allocated by the Directors in an Allocation Notice. If however the Transfer Notice contained a Total Transfer Condition the Selling Member shall not be entitled, save with the written consent of all the other members, to sell only some of the shares comprised in his Transfer Notice during such six month period.
- 8.11 Upon any sale or transfer or other disposal of shares (or interest in shares) permitted by Article 8.10 such transfer shall be forthwith notified to the Directors by the Selling Member.
- 8.12 If any trust whose trustee holds shares in the Company ceases to be a Family Trust the trustees shall without delay notify the Company that such event has occurred and shall give a Transfer Notice in respect of those shares and, if the trustees fail to give a Transfer Notice within 30 days of the occurrence of that event, they shall be deemed to have



served the Company with a Transfer Notice in respect of all shares held by it in the capital of the Company howsoever acquired 30 days after the occurrence of that event.

- 8.13 If a corporate member holding shares or an interest in shares transferred to it under Article 7.3 ceases to be a Group Company or a Sole Company as the case may be, such corporate member shall immediately notify the Company that such event has occurred and shall without delay give a Transfer Notice in respect of those shares and, if the corporate member fails to give a Transfer Notice within 30 days of the occurrence of that event, it shall be deemed to have served the Company with a Transfer Notice in respect of all shares held by it in the capital of the Company, howsoever acquired, 30 days after the occurrence of that event.
- 8.14 Notwithstanding the provisions of Articles 7 and 8, the Directors may (provided that they state their reasons for so doing) decline to register any transfer:
- (a) of any share (including the renunciation of any letter of allotment) on which the Company has a lien;
  - (b) which is not lodged at the office or such other place as the Directors may appoint;
  - (c) which is not accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may require to show the right of the transferor to make the transfer;
  - (d) which relates to more than one class of share;
  - (e) which is in favour of more than 4 transferees.
- 8.15 Without prejudice to their rights under Article 8.14 the Directors shall not be entitled to decline to register the transfer of any shares made pursuant to this Article 8, save that the Directors:
- (a) shall decline to register a transfer where they have substantive reasons for believing that a transfer purportedly made in accordance with such Article is not in fact in accordance with that Article or (for the avoidance of doubt) that such transfer is precluded by the operation of Article 9; and
  - (b) may, in their absolute discretion and without assigning any reason, decline to register any transfer of shares if the shares comprised in the transfer are not fully paid.
- 8.16 For the purpose of ensuring compliance with the provisions of this Article 8, the Directors may require any member and any person named as transferee of any beneficial interest or in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may deem relevant, without prejudice to their rights under Article 8.15(a).

## 9. Drag Along Rights

- 9.1 For the purposes of this Article 9, "**Approved Offer**" means an offer in writing served on all members holding shares offering to purchase all of their shares (including any shares which may be allotted pursuant to the exercise of options to subscribe for shares in existence at the date of such offer) which:

- (a) is stipulated to be open for acceptance for at least 21 days;
  - (b) offers the same consideration for each share; and
  - (c) is on terms that the sale and purchase of shares in respect of which the offer is accepted will be completed at the same time.
- 9.2 Whenever an Approved Offer is made, the holders of 65 per cent. or more of the shares then in issue shall have the right ("**Drag Along Right**") to require all the members ("**Other Shareholders**") to accept the Approved Offer in full.
- 9.3 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders at the same time as, or within seven days following, the making of the Approved Offer. Such notice will be accompanied by all documents required to be executed by the Other Shareholders to give effect to the relevant transfer.
- 9.4 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of his entire holding of shares.
- 9.5 If any of the Other Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to take any action required of it under the terms of the Approved Offer, any person so authorised by the Directors may as attorney accept the offer on behalf of the Other Shareholder in question and undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder. In particular, without prejudice to the generality of the foregoing, such person may execute the necessary transfer(s) on that Other Shareholder's behalf and against:
- (a) receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant shares (the receipt being a good discharge to the maker of the Approved Offer (the "**Buyer**"), who will not be bound to see to the application of it); and
  - (b) compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee). After registration, the title of the Buyer (or its nominee) as registered holder of such shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person. The Other Shareholder will in such a case be bound to deliver up his certificate for his shares to the Company, or a deed of indemnity of loss in a form satisfactory to the Company and to the Buyer (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such shares.

## 10. **Proceedings at general meetings**

- 10.1 If a quorum is not present at any such adjourned meeting as is referred to in regulation 41 of Table A, then, provided that the member present holds at least 75 per cent. in nominal value of the ordinary shares of the Company in issue, any resolution agreed to by such member shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.
- 10.2 If at any general meeting any votes shall be counted which ought not to have been counted, or shall not be counted which ought to have been counted, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, and not in that

case unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to affect the result of the voting.

10.3 Any member or member's proxy or duly authorised representative (being a corporation) may participate in a general meeting or a meeting of a class of members of the Company by means of any communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person (or by proxy or authorised representative as appropriate) at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest number of participants is assembled or, if no such group can be identified, at the location of the chairman.

10.4 For the avoidance of doubt:

- (a) a written resolution of the members (or any class of members) of the Company may be passed in accordance with the provisions of the Companies Act 2006;
- (b) without prejudice to Article 10.4(a) a matter which has the unanimous assent of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall, to the extent permitted by law, be as effectual as if it had been passed at a general meeting duly convened and held;
- (c) at a meeting of members or any class thereof the chairman of that meeting, in the event of a tie of votes, shall not be entitled to a second or casting vote on a show of hands or on a poll.

10.5 Regulation 57 of Table A shall not apply.

## 11. Proxies

11.1 An instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed (or a duly certified copy of that power or authority) may be handed to the chairman of the relevant meeting and regulation 62 of Table A shall be modified accordingly.

11.2 Where the Company has given an electronic address in:

- (a) a notice convening a general meeting of the Company; or
- (b) an invitation to appoint a proxy issued by the Company in relation to a general meeting of the Company,

an appointment of a proxy in relation to that meeting and the power of attorney or other authority, if any, under which the appointment is made (or a duly certified copy of that power or authority) or any other document relating to the proxies or other authorities for that meeting may be sent by electronic means to that electronic address (subject to any conditions or limitations specified in the notice of the meeting) if the document is received at such electronic address not less than 48 hours (excluding days that are not Business Days) before the time for holding the meeting or adjourned meeting. Paragraph (aa) of regulation 62 of Table A shall not apply and the remaining provisions of regulation 62 of Table A shall be modified accordingly.

## 12. Directors

- 12.1 Unless otherwise determined by ordinary resolution the number of Directors shall not be subject to any maximum but shall be at least one. Regulation 64 of Table A shall not apply.
- 12.2 Any adult person may be appointed or elected as a director whatever his age, and no director shall be required to vacate his office by reason of his attaining or having attained the age of 70 years or any other age.
- 12.3 The Directors may appoint any person who is willing to act to be a director, either to fill a casual vacancy or as an additional director, provided always that the appointment does not cause the number of Directors to exceed any maximum number set pursuant to Article 12.1.
- 12.4 A member or members having the right to attend and vote at any general meeting of the Company and holding at least 75 per cent. in nominal value of the shares giving that right may from time to time by notice in writing or, subject to the provisions of the Companies Act 2006, by notice in electronic form to the Company, remove any director from office or appoint any person to be a director, and any such removal or appointment shall be deemed to be an act of the Company and not only of such member or members. Any such notice may consist of one or more documents each executed by or on behalf of such member or members and shall take effect at and from the time when such notice is received at the registered office of the Company or produced to a meeting of the Directors of the Company.
- 12.5 Regulations 77 and 79 of Table A shall not apply.

**13. Alternate directors**

- 13.1 Any director (other than an alternate director) may appoint any other person (including another director) to be an alternate director and may remove from office an alternate director so appointed by him. Regulation 65 of Table A shall not apply.
- 13.2 An alternate director shall have the same entitlement to receive notice of meetings as the entitlement of his appointor and he shall have one vote for each director for whom he acts as alternate (in addition to his own vote if he is also a director) (but he shall count as one person only for the purpose of determining whether a quorum is present). The first sentence of regulation 66 of Table A shall be modified accordingly. The second sentence of regulation 66 of Table A shall not apply.
- 13.3 An alternate director shall cease to be an alternate director if his appointor ceases to be a director. Regulation 67 of Table A shall not apply.
- 13.4 Any appointment or removal of an alternate director shall be by notice to the Company from the director making or revoking the appointment or in any other manner approved by the Directors. Regulation 68 of Table A shall not apply.

**14. Vacation of office by directors**

- 14.1 The office of a director shall be vacated if he:
- (a) has a bankruptcy order made in respect of him under Part IX of the Insolvency Act 1986;
  - (b) becomes prohibited by law from being a director;

- (c) in the reasonable opinion of all his co-directors becomes incapable by reason of mental disorder of discharging his duties as a director;
- (d) resigns his office by written notice to the Company; or
- (e) is removed from office pursuant to Article 12.

14.2 Regulation 81 of Table A shall not apply.

## 15. **Proceedings of Directors**

- 15.1 Provided that he has disclosed to the Directors any material interest in accordance with the requirements of the Act, a director shall be entitled to vote at a meeting of Directors or of a committee of the Directors in respect of such contract or proposed contract in which he is interested and shall also be counted in reckoning whether a quorum is present at such a meeting. Regulations 94 to 96 (inclusive) of Table A shall not apply.
- 15.2 Notice of every meeting of the Directors shall in so far as reasonably practicable be given orally (or in writing in hard copy or electronic form) to every director and alternate director (whether or not within the United Kingdom), but the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any director shall not invalidate the proceedings at that meeting. Regulation 88 of Table A shall be modified accordingly.
- 15.3 Where there is one director only, the quorum for any meeting of Directors or committee of Directors shall be one and that director or his alternate shall exercise all the powers and discretions expressed to be vested in the Directors by the regulations of Table A and by these Articles. Regulation 89 of Table A shall be modified accordingly.
- 15.4 A resolution in writing executed by or on behalf of all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as effectual as if it had been passed at a meeting of the Directors or, as the case may be, a committee of Directors duly convened and held and may consist of several documents each executed by or on behalf of one or more Directors; but a resolution executed by an alternate director need not also be executed by his appointor and, if it is executed by a director who has appointed an alternate director, it need not also be executed by the alternate director in that capacity.
- 15.5 Subject to the provisions of the Companies Act 2006 and where the Company and any director have so agreed, the confirmation to the Company by such director of his assent to any resolution by means of an electronic communication shall be deemed to constitute a duly executed document for the purposes of Article 15.4. Any such electronic communication shall be sent to the address notified by the Company for this purpose.
- 15.6 Regulation 93 of Table A shall not apply.
- 15.7 Any director may participate in a meeting of Directors by means of any communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest number of participators is assembled or, if no such group can be identified, at the location of the chairman.

## 16. **Secretary**

Subject to the provisions of the Act the Directors may appoint a secretary for such term and at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them. Regulation 99 of Table A shall not apply.

**17. Notices**

17.1 Subject to the provisions of the Companies Act 2006 any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied in hard copy or electronic form, or partly by one means and partly by the other.

17.2 Any notice given or document supplied in hard copy form given under these Articles may:

(a) be delivered or sent by first class post (airmail if overseas):

in the case of a member or his  
legal personal representative or  
trustee in bankruptcy:

to such member's address as  
shown in the Company's  
register of members or the  
address notified to the  
Company for that purpose;

in the case of a director or alternate  
director:

to his last known address or the  
address last notified to the  
Company for that purpose; and

in the case of the Company:

to its registered office,

or

(b) where a fax number or an address for email or other form of electronic communication has been notified to or by the Company for that purpose, be sent by the relevant form of electronic communication to that address.

17.3 Any such notice shall be deemed to have been served and be effective:

(a) if delivered, at the time of delivery; and

(b) if posted or sent by fax, email (where a fax number or an address for email has been notified to the Company for that purpose) or any other form of electronic communication, on receipt or 48 hours after the time it was sent, whichever occurs first.

17.4 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding. Notice so given shall constitute notice to all the joint holders. Anything agreed or specified by such joint holder in respect of the service, sending or supply of notices, documents or other information (in whatever form) shall be deemed to constitute the agreement or specification of all the joint holders in their capacity as such for all purposes in such respect.

17.5 Regulations 111, 112 and 115 of Table A shall not apply.

**18. Seal**

The seal, if any, shall be used only by the authority of the Directors or of a committee of the Directors authorised by the Directors. The Directors may determine who shall sign any instruments to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director. Regulation 101 of Table A shall not apply.

**19. Winding up**

In Regulation 117 of Table A the words "with the like sanction" shall be inserted immediately before the words "determine how the division".

**20. Indemnity and Insurance**

20.1 Subject to and to the extent permitted by the Companies Act 2006 every director or other officer (excluding the auditor) of the Company shall be entitled to be indemnified by the Company against all liabilities he may incur in the performance, or purported performance, of his duties or the exercise, or the purported exercise, of his powers, or otherwise in connection with such actual or purported exercise.

20.2 Regulation 118 of Table A shall not apply.

20.3 The Directors may exercise the powers of the Company to purchase and maintain for all and any director of the Company insurance against all and any such liability as is mentioned in section 232 of the Companies Act 2006.

## SCHEDULE TO THE ARTICLES OF ASSOCIATION OF VISCOSE SLEEVING LIMITED

### TABLE A

#### Regulations for management of a company limited by shares

1. In these regulations:

**"the Act"** means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006, for the time being in force;

**"the articles"** means the articles of the company;

**"clear days"** in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**"communication"** means the same as in the Electronic Communications Act 2000;

**"electronic communication"** means the same as in the Electronic Communications Act 2000;

**"executed"** includes any mode of execution;

**"office"** means the registered office of the company;

**"the holder"** in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

**"the seal"** means the common seal of the company;

**"secretary"** means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary;

**"the United Kingdom"** means Great Britain and Northern Ireland;

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the company.

### SHARE CAPITAL

2. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.
3. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles.
4. The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.



5. Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

#### **SHARE CERTIFICATES**

6. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
7. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnify and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

#### **LIEN**

8. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Regulation. The company's lien on a share shall extend to any amount payable in respect of it.
9. The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of a death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
10. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directors of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
11. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES AND FORFEITURE**

12. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his

shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

13. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
14. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
15. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
16. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
17. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
18. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
19. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
20. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such matter as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
21. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
22. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming

to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

## **TRANSFER OF SHARES**

23. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
24. The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a share on which the company has a lien. They may also refuse to register a transfer unless:
  - (a) it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
  - (b) it is in respect of only one class of shares; and
  - (c) it is in favour of not more than four transferees.
25. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
26. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
27. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
28. The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

## **TRANSMISSION OF SHARES**

29. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
30. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the

death or bankruptcy of the member had not occurred.

31. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

#### **ALTERATION OF SHARE CAPITAL**

32. The company may by ordinary resolution:
- (a) increase its share capital by new shares of such amount as the resolution prescribes;
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
  - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
33. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
34. Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

#### **PURCHASE OF OWN SHARES**

35. Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

#### **GENERAL MEETINGS**

36. *[Intentionally blank]*
37. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with the provisions of the Act. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.

## **NOTICE OF GENERAL MEETINGS**

38. General meetings shall be called by at least fourteen clear days' notice, but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

39. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

40. No business shall be transacted at any meeting unless a quorum is present. Save in the case of a company with a single member 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.
41. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall 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.
42. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
43. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
44. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.
45. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
46. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

- (a) by the chairman; or
- (b) by at least two members having the right to vote at the meeting; or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

- 47. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 48. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 49. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 50. *[Intentionally blank]*
- 51. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 52. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 53. *[Intentionally blank]*

#### VOTES OF MEMBERS

- 54. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, unless the proxy (in either case) or the representative is himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.
- 55. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall

be determined by the order in which the names of the holders stand in the register of members.

56. A member in respect of whom an order had been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
57. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
58. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
59. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.
60. The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

" .....Plc/Limited

I/We, ..... of ..... being a member/members of the above-named company, hereby appoint ..... of ..... or failing him ..... of ..... as my/our proxy to vote in my/our name(s) and on my/our behalf at the general meeting of the company to be held on ..... and at any adjournment thereof.

Signed on ....."

61. Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

" .....Plc/Limited

I/We, ..... of ..... being a member/members of the above-named company, hereby appoint ..... of ..... or failing him ..... as my/our proxy to vote in my/our name(s) and on my/our behalf at the general meeting of the company to be held on ..... and at any adjournment thereof

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 \*for \*against

Resolution No 2 \*for \*against.

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this ..... day of ....."

62. The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

(a) in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

(aa) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:

(ii) in the notice convening the meeting; or

(iii) in any instrument of proxy sent out by the company in relation to the meeting; or

(iv) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purpose of such communications.

63. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.



#### **NUMBER OF DIRECTORS**

64. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two.

#### **ALTERNATE DIRECTORS**

65. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
66. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
67. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
68. Any appointment or removal of an alternative director shall be by notice to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.
69. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

#### **POWERS OF DIRECTORS**

70. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
71. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

#### **DELEGATION OF DIRECTORS' POWERS**

72. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either

collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

#### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

73. *[Intentionally blank]*
74. *[Intentionally blank]*
75. *[Intentionally blank]*
76. No person shall be appointed or reappointed a director at any general meeting unless:
- (a) he is recommended by the directors; or
  - (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.
77. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the company of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the company's register of directors.
78. 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, and may also determine the rotation in which any additional directors are to retire.
79. 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 fixed by or in accordance with the articles as the maximum number of directors.
80. *[Intentionally blank]*

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

81. The office of a director shall be vacated if:
- (a) he ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director; or
  - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) he is, or may be, suffering from mental disorder and either:

- (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
  - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by notice to the Company; or
- (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

#### **REMUNERATION OF DIRECTORS**

82. The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### **DIRECTORS' EXPENSES**

83. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties.

#### **DIRECTORS' APPOINTMENTS AND INTERESTS**

84. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.
85. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
  - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
  - (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement

shall be liable to be avoided on the ground of any such interest or benefit.

86. For the purposes of regulation 85:

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

#### **DIRECTORS' GRATUITIES AND PENSION**

87. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

#### **PROCEEDINGS OF DIRECTORS**

88. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
89. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
90. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
91. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
92. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

106. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
107. No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
108. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

#### **ACCOUNTS**

109. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

#### **CAPITALISATION OF PROFITS**

110. The directors may with the authority of an ordinary resolution of the company:
  - (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;
  - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
  - (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and
  - (d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any

agreement made under such authority being binding on all such members.

## NOTICES

111. Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice.

In this regulation, "address", in relation to electronic communications, includes any number or address used for the purpose of such communications.

112. The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the company by the member. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

113. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
114. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
115. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.
116. A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

## WINDING UP

117. If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide among the members in specie the

whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members of different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

#### INDEMNITY

118. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.