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THE COMPANIES ACT 1985

and

THE COMPANIES ACT 1989

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

-of-

METSÄLIITTO SW (UK) LIMITED

1. The Company's name is "METSÄLIITTO SW (UK) LIMITED".¹
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:²
 - (1) To carry on the business of a holding company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world.
 - (2) To acquire any shares, stock, debentures, debenture stock, bonds, notes, obligations, or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit.
 - (3) To exercise and enforce all rights and powers conferred by or incident to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof and to provide managerial and other executive supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
 - (4) To carry on business as a general commercial company.

¹ By a Special Resolution of the Company passed on 23 June 1998 the name of the Company was changed from Precis (1637) Limited to Metsäliitto SW (UK) Limited.

² As amended by a Special Resolution of the Company passed on 23 June 1998.

- (5) To carry on any other business which may seem to the Company capable of being conducted directly or indirectly for the benefit of the Company.
- (6) To acquire by any means any real or personal property or rights whatsoever and to use, exploit and develop the same.
- (7) To conduct, promote and commission research and development in connection with any activities or proposed activities of the Company, and to apply for and take out, purchase or otherwise acquire any patents, patent rights, inventions, secret processes, designs, copyrights, trade marks, service marks, commercial names and designations, know-how, formulac, licences, concessions and the like (and any interest in any of them) and any exclusive or non-exclusive or limited right to use, and any secret or other information as to, any invention or secret process of any kind; and to use, exercise, develop, and grant licences in respect of, and otherwise turn to account and deal with, the property, rights and information so acquired.
- (8) To acquire by any means the whole or any part of the assets, and to undertake the whole or any part of the liabilities, of any person carrying on or proposing to carry on any business which the Company is authorised to carry on or which can be carried on in connection therewith, and to acquire an interest in, amalgamate or enter into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance, with any such person and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, whether fully or partly paid up, debentures, or other securities or rights that may be agreed upon.
- (9) To subscribe for, underwrite, purchase or otherwise acquire, and to hold, and deal with, any shares, stocks, debentures, bonds, notes and other securities, obligations and other investments of any nature whatsoever and any options or rights in respect of them; and otherwise to invest and deal with the money and assets of the Company.
- (10) To lend money or give credit to such persons and on such terms as may seem expedient.
- (11) To borrow money and to secure by mortgage, charge or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, the discharge by the Company or any other person of any obligation or liability.
- (12) To guarantee the performance of any obligation by any person whatsoever, whether or not for the benefit of the Company or in furtherance of any of its objects.
- (13) To draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (14) To apply for, promote and obtain any Act of Parliament, charter, privilege, concession, licence or authorisation of any government, state, department or

other authority (international, national, local, municipal or otherwise) for enabling the Company to carry any of its objects into effect or for extending any of the Company's powers or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any actions, steps, proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company or of its members.

- (15) To enter into any arrangements with any government, state, department or other authority (international, national, local, municipal or otherwise), or any other person, that may seem conducive to the Company's objects or any of them, and to obtain from any such government, state, department, authority, or person, and to carry out, exercise and exploit, any charter, contract, decree, right, privilege or concession which the Company may think desirable.
- (16) To do all or any of the following, namely:
 - (1) to establish, provide, carry on, maintain, manage, support, purchase and contribute to any pension, superannuation, retirement, redundancy, injury, death benefit or insurance funds, trusts, schemes or policies for the benefit of, and to give or procure the giving of pensions, annuities, allowances, gratuities, donations, emoluments, benefits of any description (whether in kind or otherwise), incentives, bonuses, assistance (whether financial or otherwise) and accommodation in such manner and on such terms as the Company thinks fit to, and to make payments for or toward, the insurance of -
 - (a) any individuals who are or were at any time in the employment of, or directors or officers of (or held comparable or equivalent office in), or acted as consultants or advisers to or agents for -
 - (i) the Company or any company which is or was its parent company or is or was a subsidiary undertaking of the Company or any such parent company; or
 - (ii) any person to whose business the Company or any subsidiary undertaking of the Company is, in whole or in part, a successor directly or indirectly; or
 - (iii) any person otherwise allied to or associated with the Company;
 - (b) any other individuals whose service has been of benefit to the Company or who the Company considers have a moral claim on the Company; and
 - (c) the spouses, widows, widowers, families and dependants of any such individuals as aforesaid; and
 - (2) to establish, provide, carry on, maintain, manage, support and provide financial assistance to welfare, sports and social facilities, associations, clubs, funds and institutions which the Company considers likely to

benefit or further the interests of any of the aforementioned individuals, spouses, widows, widowers, families and dependants.

- (17) To establish, maintain, manage, support and contribute to any schemes or trusts for the acquisition of shares in the Company or its holding company by or for the benefit of any individuals who are or were at any time in the employment of, or directors or officers of, the Company or any company which is or was its parent company or is or was a subsidiary undertaking of the Company or any such parent company, and to lend money to any such individuals to enable them to acquire shares in the Company or in its parent company and to establish, maintain, manage and support (financially or otherwise) any schemes for sharing profits of the Company or any other such company as aforesaid with any such individuals.
- (18) To subscribe or contribute (in cash or in kind) to, and to promote or sponsor, any charitable, benevolent or useful object of a public character or any object which the Company considers may directly or indirectly further the interests of the Company, its employees or its members.
- (19) To pay and discharge all or any expenses, costs and disbursements, to pay commissions and to remunerate any person for services rendered or to be rendered, in connection with the formation, promotion and flotation of the Company and the underwriting or placing or issue at any time of any securities of the Company or of any other person.
- (20) To issue, allot and grant options over securities of the Company for cash or otherwise or in payment or part payment for any real or personal property or rights therein purchased or otherwise acquired by the Company or any services rendered to, or at the request of, or for the benefit of, the Company or as security for, or indemnity for, or towards satisfaction of, any liability or obligation undertaken or agreed to be undertaken by or for the benefit of the Company, or in consideration of any obligation (even if valued at less than the nominal value of such securities) or for any other purpose.
- (21) To procure the Company to be registered or recognised in any part of the world.
- (22) To promote any other company for the purpose of acquiring all or any of the property or undertaking any of the liabilities of the Company, or both, or of undertaking any business or operations which may appear likely to assist or benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares, debentures or other securities of any such company as aforesaid.
- (23) To dispose by any means of the whole or any part of the assets of the Company or of any interest therein.
- (24) To distribute among the members of the Company in kind any assets of the Company.

(25) To do all or any of the above things in any part of the world, and either as principal, agent, trustee, contractor or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.

(26) To do all such other things as may be deemed, or as the Company considers, incidental or conducive to the attainment of the above objects or any of them.

AND IT IS HEREBY DECLARED that in this clause:-

- (A) unless the context otherwise requires, words in the singular include the plural and vice versa;
- (B) unless the context otherwise requires, a reference to a person includes a reference to a body corporate and to an unincorporated body of persons;
- (C) references to "other" and "otherwise" shall not be construed ejusdem generis where a wider construction is possible;
- (D) a reference to anything which the Company thinks fit or desirable or considers or which may seem (whether to the Company or at large) expedient, conducive, calculated or capable, or to any similar expression connoting opinion or perception, includes, in relation to any power exercisable by or matter within the responsibility of the directors of the Company, a reference to any such thing which the directors so think or consider or which may so seem to the directors or which is in the opinion or perception of the directors;
- (E) the expressions "subsidiary undertaking" and "parent company" have the same meaning as in section 258 of and Schedule 10A to the Companies Act 1985 or any statutory modification or re-enactment of it;
- (F) the objects specified in each of the foregoing paragraphs of this clause shall be separate and distinct objects of the Company and accordingly shall not be in any way limited or restricted (except so far as otherwise expressly stated in any paragraph) by reference to or inference from the terms of any other paragraph or the order in which the paragraphs occur or the name of the Company, and none of the paragraphs shall be deemed merely subsidiary or incidental to any other paragraph.

4. The liability of the members is limited.

5. The share capital of the Company is £50,000,000 divided into 25,000,000 Ordinary Shares of £1 each and 25,000,000 Redeemable Preference Shares of £1 each.

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

Names and Addresses of Subscribers	Number of shares taken by each Subscriber
1. Clare Wilson 75 Ifield Road London SW10	One
Solicitors	
2. Mark Zerdin Flat 18 Gattis Wharf 5 New Wharf Road London N1 9RS	One
Solicitor	
Total shares taken	Two

Dated this day of
Witness to the above signatures:

June Pattinson
6A Maybrick Road
Hornchurch
Essex

Secretary

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THE COMPANIES ACT 1985
and
THE COMPANIES ACT 1989
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of

METSÄLIITTO SW (UK) LIMITED

(adopted by Special Resolution passed on
23rd June 1998)

PRELIMINARY

- 1.1 The regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter called "Table A") shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these articles.
- 1.2 Regulation 1 of Table A shall apply to the Company as if references in it to "these regulations" included references to these articles; and these articles shall also be interpreted as if the Interpretation Act 1978 applied to them in the same manner as, and to the same extent to which, it applies to Table A.
- 1.3 In these articles -
 - (a) references to a power are to a power of any kind, whether administrative, discretionary or otherwise; and
 - (b) references to the seal are to the common seal (if any) of the Company and an official seal (if any) kept by the Company by virtue of Section 40 of the Act, or either of them as the case may require.
2. Regulations 24, 54, 57, 64, 94 to 97 (inclusive), and 118 in Table A shall not apply to the Company.

ALLOTMENT OF SHARES

3. Subject to the provisions of the Companies Act 1985 ("Act") and these articles, the unissued shares in the Company shall be at the disposal of the directors, who may issue, offer, allot, grant options over or otherwise dispose of them to such persons and on such terms, subject to such rights or restrictions, as the directors think fit.

4. Sections 89(1) and 90(1) to (6) (inclusive) of the Act, in their application to allotments by the Company of equity securities, are hereby excluded.

SHARE CERTIFICATES

5. Regulation 6 in Table A shall apply to the Company as if the words "shall be sealed with the seal and" were omitted.

TRANSFER OF SHARES

6. Regulation 23 in Table A shall apply to the Company as if the instrument of transfer of any share shown in the memorandum of association to have been taken by a subscriber to it need not be executed by or on behalf of the transferee, even where the share is not fully paid.
7. The directors may in their absolute discretion, and without giving any reason, decline to register any transfer of any share, whether or not fully paid.

NOTICE OF GENERAL MEETINGS

8. Notice of every general meeting shall be given to all members (other than any who, under the provisions of these articles or any restrictions attached to any shares, are not entitled to receive such notice) and to the auditors. The last sentence of Regulation 38 in Table A shall not apply to the Company.

PROCEEDINGS AT GENERAL MEETINGS

9. Where the Company has only one member, Regulation 40 in Table A shall apply to the Company as if the reference to two persons were a reference to one, and the word "each" were omitted.

DELIVERY OF PROXIES

10. Regulation 62 in Table A shall apply to the Company as if, after the words "in a manner so permitted", there were inserted the words "or in such other manner as the directors may determine".

DIRECTORS

11. Unless otherwise determined by ordinary resolution the number of directors (other than alternate directors) shall not be subject to any maximum but, except where the Company has only one member, shall not be less than two.

APPOINTMENT RETIREMENT AND REMOVAL OF DIRECTORS

12. Regulations 73 to 80 (inclusive) and the last sentence of Regulation 84 in Table A shall not apply to the Company.
13. A member or members holding a majority in nominal value of the issued shares in the Company may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, and may remove from office any director

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however appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members concerned or, in the case of a corporate member, by its duly authorised representative, and delivered to the office or tendered at a meeting of the directors or a general meeting of the Company.

14. The directors may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
15. 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 and, without prejudice to the provisions of the Act, may by ordinary resolution remove a director from office.
16. The removal of a director under these articles shall be without prejudice to any claim the director may have for breach of any contract of service between him and the Company.
17. No person shall be disqualified from being or becoming a director by reason of his attaining or having attained the age of 70 or any other age, nor shall it be necessary by reason of his age to give special notice under the Act of any resolution appointing, reappointing or approving the appointment of a director.

PROCEEDINGS OF DIRECTORS

18. A director who has duly declared his interest (so far as he is required to do so) may vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he is interested, directly or indirectly. If he does, his vote shall be counted; and whether or not he does, his presence at the meeting shall be taken into account in calculating the quorum.
19. Where the Company has only one member and only one director, that director may exercise all the powers conferred on the directors by Regulation 70 in Table A or otherwise by virtue of these articles, notwithstanding any restriction in Regulation 89 (as to the quorum for the transaction of the business of the directors) or Regulation 90 (as to the purposes for which a sole continuing director may act).

DIVIDENDS

20. Regulation 106 in Table A shall apply to the Company as if, after the words "to the order of", there were inserted the words "or to".

INDEMNITY

21. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled -
 - (a) every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as an officer or auditor of the Company and

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in which judgment is given in his favour or in which he is acquitted, or incurred in connection with any application in which relief is granted to him by the court from liability in respect of any such act or omission or from liability to pay any amount in respect of shares acquired by a nominee of the Company; and

- (b) the directors may purchase and maintain insurance at the expense of the Company for the benefit of any director or other officer or auditor of the Company against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as a director, officer or auditor.

SHARE CAPITAL

22. The share capital of the Company at the date of adoption of these articles is £50,000,000 divided into 25,000,000 ordinary shares of £1 each ("Ordinary Shares") and 25,000,000 preference shares of £1 each ("Preference Shares").

CLASSES OF SHARES

23. The shares of each class of shares shall entitle the holders thereof to the respective rights and privileges and subject them to the respective restrictions and provisions hereinafter appearing.

CLASS RIGHTS

24. The following rights shall attach to the Ordinary Shares and the Preference Shares:

24.1 Capital

On a return of capital on liquidation or otherwise the assets of the Company available for distribution among the members shall be applied first in repaying to the holders of the Preference Shares the sum of £1 per share together with a sum equal to any arrears and accruals of the Preference Dividend (as hereinafter defined) and any further sum payable in respect of the Preference Dividend or any redemption of the Preference Shares in each case calculated down to the date of the return of capital and to be payable whether or not such dividend or further sum has been declared or earned. Secondly, the balance of such assets shall belong to and be distributed among the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them.

24.2 Income

- (A) The holders of the Preference Shares shall be entitled to be paid out of the profits available for distribution of the Company a fixed cumulative preferential dividend at the rate of seven (7) pence per share per annum ("Preference Dividend").

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- (B) The Preference Dividend shall be payable in priority to any payment to the holders of any other shares of the Company or to the transfer of any sum to reserves.
- (C) The Preference Dividend shall accrue from day to day and shall be payable in each year on 1 May ("Dividend Date") in respect of the year ending on 30 April. The first dividend payment shall be made on the first Dividend Date following allotment in respect of the period commencing on and including the date of allotment and ending on and including that date.
- (D) The Company shall pay a further sum to each holder of the Preference Shares on the amount of Preference Dividend not paid within 14 days of the relevant Dividend Date at the rate (exclusive of any associated tax credit) of two (2) per cent. per annum above the base lending rate of Barclays Bank PLC calculated on a daily basis from (but excluding) the Dividend Date to (and including) the date payment of such amount of the Preference Dividend is made, such further sum to be payable on the date of such payment.
- (E) The Preference Dividend payable on any Dividend Date and any further sum thereon or payable hereunder shall without any resolution of the Board or of the Company in general meeting (and notwithstanding anything contained in Table A) become a debt due from and immediately payable by the Company to the holders of the Preference Shares entitled thereto.
- (F) Where the Company has insufficient profits available for distribution and by reason of the Act is unable to pay in full on any Dividend Date any Preference Dividend or further sum payable to the holders of the Preference Shares the following provisions shall apply:
 - (1) on that Dividend Date the Company shall pay to such holders on account of the Preference Dividend and any further sum payable to the holders of the Preference Shares the maximum sum (if any) which can then, consistently with the Act, be paid by the Company; and
 - (2) on every succeeding Dividend Date the Company shall pay to such holders on account of the balance of the Preference Dividend for the time being remaining outstanding and any further sum in respect thereof (so far as not already paid), and until such amounts are paid in full, the maximum sum (if any) which on each such succeeding Dividend Date respectively can, consistently with the Act, be paid by the Company such sum to be applied first in the payment of any such further sum payable pursuant to paragraph (D).
- (G) All references to dividends or payments in this Article 24.2 are exclusive of any associated tax credit.
- (H) After payment of the Preference Dividend and any further sum payable to the holders of the Preference Shares and insofar as there remain profits available for distribution such profits shall be available for distribution to the holders of the Ordinary Shares.

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- (I) All dividends declared in respect of the Ordinary Shares shall be distributed among the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them.

24.3 Redemption of the Preference Shares

- (A) Subject to the provisions of the Act, the Company may at any time redeem all or any of the Preference Shares then in issue.
- (B) Notice of redemption ("Redemption Notice") of any shares to be redeemed pursuant to this Article 24.3 shall be given by the Company and must be in writing, identify the Preference Shares to be redeemed and give not less than one month's notice in writing of the date fixed for redemption and naming the place for payment of the redemption moneys and for delivery to the Company of the certificate relating to such shares.
- (C) On the date for redemption of any Preference Shares ("Redemption Date") the Company shall redeem the Preference Shares to be redeemed on such date and the relevant Preference Shareholder shall deliver to the Company at the place named by the Company in the Redemption Notice, the certificate for his Preference Shares and upon such delivery and against the receipt of the shareholder for the redemption moneys payable in respect of his shares the Company shall pay to the shareholder the redemption moneys payable to him in respect of such redemption.
- (D) The Company shall in the case of a redemption in full cancel the share certificate of the shareholder concerned and in the case of a redemption of part of the Preference Shares included in a certificate either (i) note the amount and date of the redemption on such certificate or (ii) cancel the same and without charge issue to the shareholder delivering such certificate to the Company a fresh certificate for the balance of the Preference Shares not redeemed on that occasion.
- (E) If any Preference Shareholder whose shares are liable to be redeemed under this Article 24.3 fails or refuses to deliver up the certificate for his Preference Shares the Company may retain the redemption moneys until delivery up of the certificate to the Company (or of an indemnity in respect thereof in form reasonably satisfactory to the Company) but shall within 7 days thereafter pay the redemption moneys to the shareholder.
- (F) There shall be paid on each Preference Share redeemed:
- (1) the sum of £1 per share;
 - (2) a sum equal to any arrears or accruals of the Preference Dividend to be calculated down to the Redemption Date (or otherwise as hereinafter provided) relating to such Preference Share; and
 - (3) a sum equal to any further amount payable in respect of any overdue Preference Dividend pursuant to Article 24.2(D);

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in each case, as may be relevant, to be calculated and payable whether or not such dividend, further amount or premium has been declared or earned.

- (G) The Company shall be authorised to make a payment in respect of the redemption or purchase of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by law.
- (H) Any redemption of part only of the Preference Shares then in issue shall be effected so that the number of Preference Shares of each holder thereof to be redeemed shall be in the proportion as nearly as may be as the number of Preference Shares held by him at that date bears to the total number of Preference Shares in issue at that date.
- (I) All references to payments in this Article 24.3 are exclusive of any associated tax credit.

24.4 Voting

- (A) On a show of hands every holder of an Ordinary Share and every holder of a Preference Share who is present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote (provided that if he is present in more than one capacity he shall not have more than one vote on a show of hands).
- (B) On a poll every member shall have one vote for every Ordinary Share and every Preference Share of which he is the holder.

24.5 No further rights for Preference Shares

The Preference Shares shall not carry any right to participate in the profits or assets of the Company except as provided in this Article 24.

24.6 Disputes

In the event of a disagreement as to the calculation of the Preference Dividend or any other amount payable by the Company to the holders of the Preference Shares, the disagreement may be referred by the Company or the holders of one third of the Preference Shares in issue to an accountant (acting as an expert and not as an arbitrator) nominated by agreement (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales at the request of either the Company or the holders of such number of the Preference Shares) whose decision shall be final and binding. The cost of any such determination shall be borne by the Company.