

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF INDUSTRIE CARTARIE TRONCHETTI UK
LIMITED

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Articles: means the company's articles of association for the time being in force;

Business day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Conflict: has the meaning given in article 11.1;

Eligible director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

Lien Enforcement Notice: has the meaning given in article 22.3; and

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles.

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.



- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms **"including"**, **"include"**, **"in particular"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 7(2), 8(1), (2) and (4), 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(1)(b), 17(2) and 17(3), 21, 44(2), 52 and 53 of the Model Articles shall not apply to the company.
- 1.9 Article 9(2)(a) of the Model Articles shall be amended by the insertion of the word "agenda" before the word "date".
- 1.10 Article 18 of the Model Articles shall be amended by the insertion of a new Article 18(g) including the words "the period of appointment of that director comes to an end and the director is not re-elected in accordance with the Company's Articles"
- 1.11 Article 19(2) of the Model Articles shall be amended by the deletion of the word "directors" before the word "determine" and the insertion of the words "shareholders by ordinary resolution" in its place.
- 1.12 Articles 19(4) and 19(5) of the Model Articles shall be amended by the deletion of the word "directors" before the word "decide" and the insertion of the words "shareholders by ordinary resolution" in their place.
- 1.13 Article 20 of the Model Articles shall be amended by the insertion of the words "provided they are documented" before the words "which the directors" and "and the secretary (if any)" before the words "properly incur".
- 1.14 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.15 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 14," after the word "But".



- 1.16 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.17 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".

OBJECTS

2. OBJECTS OF THE COMPANY

The objects of the Company are the production, conversion, trade and distribution of paper, pulp and other products relating to personal hygiene and care. The Company is authorised to do, and conduct its business, in any way suitable to serve directly and/or indirectly the objects of the Company. The Company is authorised to establish, acquire, and to participate in companies with identical or similar objects in the United Kingdom or abroad and set up subsidiary companies to further its objects.

DIRECTORS

3. UNANIMOUS DECISIONS

- 3.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 3.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 3.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

4. MATTERS RESERVED TO THE SHAREHOLDERS

The Directors shall not, without the unanimous consent of the shareholders of the Company, carry out any of the following restricted matters:

- 4.1 approve the final year accounts of the Company;
- 4.2 purchase, sell or charge any real estate of the Company;
- 4.3 increase or reduce the share capital of the Company; and



- 4.4 appoint or change the auditors of the Company.

5. CALLING A DIRECTORS' MEETING

- 5.1 Any director may call a directors' meeting by giving reasonable notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

6. QUORUM FOR THE VALIDITY OF THE CONSTITUTION OF DIRECTORS' MEETINGS

The quorum for the validity of the board of directors meeting is a majority of the number of eligible directors in office.

7. DECISION MAKING AT DIRECTORS' MEETINGS

- 7.1 Subject to article 11, at any meeting of the directors' a resolution of the directors' shall only be validly passed if:

- (a) a quorum is present pursuant to article 6; and
- (b) at least a number of directors equal to or greater than the majority of the eligible directors in office approve the resolution.

8. PROCEEDINGS AT DIRECTORS' MEETINGS


- 8.1 Any director may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote (subject to any contrary provisions contained in these articles). Subject to the Act, all business transacted in such manner by the directors or a committee of the directors shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the directors or of a committee of the directors notwithstanding that fewer than two directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

9. NO CASTING VOTE

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

10. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or



indirectly, interested in an existing or proposed transaction or arrangement with the company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

11. DIRECTORS' CONFLICTS OF INTEREST

11.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

11.2 Any authorisation under this article 11 will be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

11.3 Any authorisation of a Conflict under this article 11 may (whether at the time of giving the authorisation or subsequently):



- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors vote in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

11.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

11.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

11.6 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:

- (a) disclose such information to the directors or to any director or other officer or employee of the company; or
- (b) use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence.

11.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.



12. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

13. NUMBER OF DIRECTORS

The number of directors shall not exceed nine and shall not be less than three.

14. APPOINTMENT OF DIRECTORS

14.1 The shareholders shall have the right to appoint up to the maximum number of directors set out in Article 13.

14.2 Each director shall be appointed for a period not exceeding 3 years and shall automatically retire as a director unless they are re-elected by ordinary resolution of the shareholders.

15. TERMINATION OF DIRECTOR APPOINTMENTS

15.1 Any director's appointment shall be deemed to terminate when:

- (a) the period of their appointment terminates pursuant to Article 14.2;
- (b) any of the provisions in Model Articles 18(a) to (f) apply; or
- (c) the shareholders decide, by ordinary resolution, to remove that director from office.

15.2 If the number of directors falls below the minimum number of directors set out in Article 13 by reason of two or more directors' appointments being terminated pursuant to Article 15.1, the directors shall be obliged to notify each shareholder holding more than 5% of the voting rights in the Company.

16. SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

DECISION MAKING BY SHAREHOLDERS

A handwritten signature in black ink, consisting of a large, stylized capital 'A' with a horizontal crossbar and a vertical stroke extending downwards.

17. GENERAL MEETINGS

- 17.1 Notices convening general meetings of the company shall comply with the provisions of Chapter 3 of Part 13 of the Act.
- 17.2 Subject to any provisions of the Act requiring such longer period of notice, the notice period to be given to the shareholders of a general meeting shall be 7 days.

18. POLL VOTES

- 18.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 18.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

19. PROXIES

- 19.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles 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 accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 19.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.
- 19.3 Proxies must be deposited at the registered office of the company or, to such other postal address, electronic mail address or facsimile number as may be specifically permitted for the purpose of depositing proxy forms in the notice convening such general meeting. For the avoidance of doubt, where no such alternative is specifically provided for in the notice convening the relevant general meeting all proxy forms relating to that general meeting must be deposited at the registered office of the company..
- 19.4 Where there is a vote on a resolution on a show of hands at a general meeting and a member entitled to vote on the resolution has appointed more than one proxy those proxies (when taken together) shall not be entitled to have more votes than the member would have if he or she were present in person.

20. SINGLE MEMBER COMPANY

- 20.1 If, and for so long as, the company has only one member, the following provisions shall apply:

- (a) The sole member of the company (or the proxy or authorised representative of the sole member representing that member at the relevant general meeting) shall be the chairman of any general meeting of the company and Article 39 of the Model Articles shall be modified accordingly.
- (b) All other provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company which has only one member.

21. SHARES

- 21.1 The company may issue shares for less than the aggregate of their nominal value.

22. LIEN, CALLS ON SHARES AND FORFEITURE

- 22.1 The company has a lien (the **Company's Lien**) over every share (whether fully paid up or not) which is registered in the name of a person indebted or under any liability to the company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the company, whether payable immediately or at some time in the future.

- 22.2 The provisions of articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60, 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those articles to a "member" or "members" shall be deemed to be references to a "shareholder" or "shareholders" (as the case may be).

22.3 Enforcement of the Company's Lien

- (a) Subject to the provisions of this article 22.3, if:
 - (i) a Lien Enforcement Notice has been given in respect of a share; and
 - (ii) the person to whom the notice was given has failed to comply with it,

the company may sell that share in such manner as the directors decide.

- (b) A Lien Enforcement Notice:
 - (i) may only be given in respect of a share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - (ii) must specify the share concerned;
 - (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
 - (iv) must be addressed either to the holder of the share or to a transmittee of that holder; and



- (v) must state the company's intention to sell the share if the notice is not complied with.
- (c) Where shares are sold under this article 22.3:
 - (i) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
 - (ii) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- (d) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
 - (i) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
 - (ii) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.
- (e) A statutory declaration by a director that the declarant is a director and that a share has been sold to satisfy the Company's Lien on a specified date:
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - (ii) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

22.4 Call notices

- (a) Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a **Call Notice**) to a shareholder requiring the shareholder to pay the company a specified sum of money (a **Call**) which is payable to the company at the date when the directors decide to send the Call Notice.
- (b) A Call Notice:
 - (i) may not require a shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the company;
 - (ii) must state when and how any Call to which it relates is to be paid; and
 - (iii) may permit or require the Call to be made in instalments.
- (c) A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.

- (d) Before the company has received any Call due under a Call Notice the directors may:
 - (i) revoke it wholly or in part; or
 - (ii) specify a later time for payment than is specified in the notice,
 by a further notice in writing to the shareholder in respect of whose shares the Call is made.
- (e) A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share:
 - (i) on allotment;
 - (ii) on the occurrence of a particular event; or
 - (iii) on a date fixed by or in accordance with the terms of issue.

22.5 Forfeiture

- (a) If a person is liable to pay a Call and fails to do so by the Call payment date:
 - (i) the directors may issue a notice of intended forfeiture to that person; and
 - (ii) until the Call is paid, that person must pay the company interest on the Call from the Call payment date at the relevant rate.
- (b) A notice of intended forfeiture:
 - (i) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;
 - (ii) must be sent to the holder of that share (or all the joint holders of that share) or to a transferee of that holder;
 - (iii) must require payment of the Call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
 - (iv) must state how the payment is to be made; and
 - (v) must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited.

ADMINISTRATIVE ARRANGEMENTS

23. MEANS OF COMMUNICATION TO BE USED

- 23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
 - (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United

Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied;
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; or, if earlier,
- (e) as soon as the member acknowledges actual receipt.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

- 23.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
- 23.3 A member present in person at any meeting of the company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

