

**COMPANIES ACT 2014**  
**CONSTITUTION**  
**OF**  
**IRISH PAPER CLEARING**  
**COMPANY LIMITED BY GUARANTEE**

**MEMORANDUM OF ASSOCIATION  
OF  
IRISH PAPER CLEARING  
COMPANY LIMITED BY GUARANTEE**

**COMPANIES ACTS 2014**

**COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION**

**- OF -**

**IRISH PAPER CLEARING**

**COMPANY LIMITED BY GUARANTEE**

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- 1 The name of the Company is "Irish Paper Clearing Company Limited by Guarantee" (hereinafter called "**the Company**").
- 2 The Company is a company limited by guarantee, registered under Part 18 of the Companies Act 2014.
- 3 The objects for which the Company is established are as follows:
  - (a) To establish, maintain and operate in the State a payment, clearing and settlement system relating to the presentation, collection, processing, handling, sorting, transfer, transmission, distribution, exchange, clearance and settlement of any means or mode of payment or money transfer in written and visible mode on, or in, paper or documentary form and which such means or mode, in law and under or pursuant to such rules or regulations for clearings as may be adopted by the Company from time to time, is recognized or effective for such purposes to include, without limitation, standing or bankers orders, giro or other payment orders, payroll and traders credits, consumer credits and credit vouchers, cheques and other similar debit payment items, in each case being payment items denominated in euro or (and subject to any rules for clearing as may be adopted by the Company) any other currency as may at any time in law be constituted as lawful currency of or legal tender in the State (hereinafter called the "**System**") being a System in which credit institutions (including credit unions), financial institutions and any other persons who are admitted from time to time as members of the Company participate; and to facilitate through operation of the System the payment of moneys by the means or mode of payment referred to in this sub-clause 2(a).
  - (b) To obtain the approval of the Central Bank of Ireland to the establishment, maintenance and continued operation of the System as a payment system (within the meaning of the Central Bank Act, 1997) by the Company; to formulate, adopt, implement, monitor and vary or replace from time to time such principles, rules, access criteria, standards and regulations in connection with participation by persons in the System and admission of such persons to and continued membership of the Company and in connection with the use, maintenance and operation of the System as may be considered fit or desirable and in a manner that ensures the integrity, security and operational reliability of the System at all times, and to ensure that such principles, rules, access criteria, standards and regulations comply with generally acceptable standards or practice and with applicable law and any directions,

conditions or requirements of any governmental or regulatory person (including, without limitation, the Central Bank of Ireland) which may have in law regulatory responsibility for the business or activities of the Company or generally the functioning of payment, clearing and settlement systems (including the System) in the State.

- (c) To permit the System to be used for the settlement and discharge of such daily or recurring inter-bank bi-lateral balances or liabilities as arise between members of the Company in the ordinary course of the conduct of their retail banking or payments business in the State, and whether such balances or liabilities are referable to credit card payments, debit card payments, automated cash withdrawals, unpaid cheques, customer account switching balances and otherwise as may be permitted by the Company from time to time.
- (d) To engage or contract with any persons to provide or perform all types of services relating to the presentation, collection, processing, handling, sorting, transfer, transmission, distribution, exchange, clearance and settlement of any of the means or mode of payment referred to in sub-clause 2(a) and/or as relating to the settlement of the inter-bank balances or liabilities referred to in Clause 2(c) for or on behalf of the Company and/or its members on an agency or outsourced basis or otherwise howsoever and on such terms as may be considered fit or desirable.
- (e) To provide whether for profit or otherwise all types of operational advisory, administrative, agency, research, consultative, statistical, reporting and other business services to any person in relation to or in connection with any payment, clearing or settlement system (including, without limitation, the System) and to engage or contract with any persons (including, without limitation, the Irish Payments Council) to provide such services to the Company and on such terms as may be considered fit or desirable.
- (f) To promote the integration and use of the System with any other payment, clearing or settlement system, whether located within or outside the State, on such terms as may be considered fit or desirable and/or as may be conducive to the efficient, orderly and proper functioning of the System, and whether through partnerships, joint ventures, alliances or associations or otherwise howsoever.
- (g) To manufacture, licence, sell, supply, provide, lease out, hire out, render or otherwise make available to any person whether for valuable consideration or not and to acquire, purchase, take on lease, hire, hire-purchase, licence, exchange or otherwise obtain and to hold and make use of business systems, computers, computer systems, terminals associated plant, equipment (both hardware and software) and any other systems of all kinds (in particular, without limitation, for use in electronically, mechanically or otherwise transferring, receiving, recording, processing, programming, retrieving or storing funds, accounts, data, information or records) and any intellectual property or other rights thereto and to transact and do all matters and things which may seem incidental or conducive thereto.
- (h) To apply for, purchase, take on lease or hire or otherwise acquire or obtain and to expend money in experimenting upon, testing or improving any names, designs, trademarks, service marks, patents, patent rights, inventions, secret processes, formulae, licences, concessions and the like of any kind whatsoever conferring an exclusive or non-exclusive or limited right of user, or any secret or other information as

to any process or invention of any kind whatsoever which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop, grant licences in respect of, sell or otherwise dispose of, supply, lease or hire out or otherwise make available or turn to account any rights and information so acquired.

- (i) To carry on any other business which may seem capable of being carried on in connection with, incidental, ancillary or in any way related to or capable of use in any of the businesses of the Company or calculated directly or indirectly to, enhance the value of or render profitable any property or rights of the Company or to further any of its objects.
- (j) To purchase, take possession of, take on lease, hire, hire-purchase, licence, exchange or otherwise acquire, take options over, construct, develop and hold for any estate or interest, lands, offices and buildings and generally any real or personal property and any rights, privileges or easements over or in respect of any property, and to build, construct, erect, install, maintain, alter, enlarge, pull down, remove or replace any buildings, works, plant and computer and telecommunications systems which may seem necessary or convenient for the business of the Company.
- (k) To purchase or otherwise acquire, undertake or take over the whole or any part of the business, goodwill, assets and liabilities of any person carrying on or proposing to carry on any business which the Company is authorised to carry on or of a character similar or ancillary or connected thereto, or possessed of any property or rights suitable for any of the purposes of the Company.
- (l) To acquire an interest in, amalgamate, enter into partnership or any arrangement for sharing of profits or for co-operation or mutual assistance or to co-operate or participate in any way, with any person carrying on or proposing to carry on any business which the Company is authorised to carry on or of a character similar or ancillary or connected thereto or for subsidising or otherwise assisting any person providing services to the Company from time to time.
- (m) To borrow and raise money in such currency upon such terms and on such security as may be considered fit and in particular, without limitation, by the issue, creation or deposit of any securities of or held by the Company and to secure the repayment of any money borrowed, raised or owing and any obligation of the Company by mortgage, charge, pledge, lien or other security upon the whole or any part of the undertaking, property and assets of the Company, both present and future.
- (n) To draw, make, accept, endorse, discount, negotiate, execute and issue or to concur or assist in the drawing, making, accepting, endorsing, negotiating, execution and issuing of bills of exchange, promissory notes, bills of lading, scrip warrants and other instruments and securities, whether transferable, negotiable or otherwise.
- (o) To stand surety for or to guarantee, support, secure or give an indemnity in respect of the performance of all or any of the obligations (including the repayment or the payment of the principal and premium of and interest coupons and dividends on any securities) of any company, association or undertaking or generally any person whether by personal covenant or by mortgage, charge, pledge, lien or other security

upon the whole or any part of the undertaking, property and assets of the Company, both present and future, or by both such methods.

- (p) To lend money or give credit to and to receive loans from such persons in such currency and on such terms, whether with or without security, as may be considered fit or desirable; and to insure against all risks and claims which the Company (including its officers, employees, servants and members) or its assets may be or become liable and with reputable insurance companies, and to pay all insurance premiums due in connection with insurance policies taken out in the name of or for the benefit of the Company or as applicable or required, its officers, employees, servants or members.
- (q) To invest the moneys of the Company in or upon, and to deal in, such investments and securities (including land of any tenure in any part of the world, foreign currencies, or any securities of any other person and any options or rights in respect thereof) upon such terms and in such manner as may be considered fit or desirable, and to dispose of and vary any such investments or securities.
- (r) To enter into any arrangement with any state, government or other authority, international, national, supreme, municipal, local or otherwise, and to obtain from any such government or authority any legislation, orders, rights, privileges, concessions and franchises which may seem conducive to the Company's objects or any of them and to carry out, exercise and comply with the same.
- (s) To take all necessary and proper steps in the Oireachtas or with any state, government or authority, international, supreme, municipal, local or otherwise, for the purpose of promoting and obtaining any Act of the Oireachtas or other legislation or regulation to enable the Company to carry out the objects and powers of the Company with the maximum protection from financial risk to the Company and its members in relation to the operations of the Company, and to oppose proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (t) To remunerate by cash payment or payment in kind or otherwise as may be considered fit any person rendering services to the Company whether in or about its formation or promotion or the management and conduct of its business or otherwise, and to establish, maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation fund, scheme or arrangement of life insurance scheme for the benefit of, and pay, provide for or procure the grant of gratuities, pensions, allowances, medical benefits or other benefits or emoluments to any persons who are or were at any time in the employment or service of the Company, or who are or were at any time directors or officers of the Company and their spouses, families or dependents, and to make payments for or towards the insurance of any such persons.
- (u) To make such provision for the education and training of employees and prospective employees of the Company or to arrange for such education and training by others in all matters relevant to the System and generally as may be in the interests of the Company.
- (v) To do all such other things which may seem incidental, ancillary or in any way conducive to the attainment of the objects of the Company.

- (w) To pay all costs, charges and expenses incurred or sustained in or about the promotion, establishment and incorporation of the Company, or which may seem to be in the nature of preliminary expenses including (without limitation) the costs of printing and stationery and the legal and other expenses connected therewith.

4 It is hereby declared as follows:-

- (a) The sub-clauses of the foregoing clause 3 and the objects specified therein are and shall be regarded as independent objects and accordingly shall not in any way be limited or restricted (save where otherwise provided therein) by reference to or inference from the terms of any other sub-clause or object or by the name of the Company but may be carried out in as full and ample a manner and construed in as wide a sense as if each defined the objects of a separate and distinct company.
- (b) In the foregoing clause 3, where the context admits or requires:
  - (i) the word "**company**", except where used in reference to the Company, shall be deemed to include any firm, partnership, association or other body of persons, whether or not incorporated, and if incorporated, whether or not a company within the meaning of the Companies Act 2014;
  - (ii) the word "**person**" shall be deemed to include any individual, any company (as defined above) as well as any State, government or other authority, international, national, supreme, municipal, local or otherwise; and
  - (iii) references to the singular shall include the plural and vice versa; references to any Statute shall include such Statute as amended, varied, supplemented or re-enacted from time to time; and references to the "State" means Ireland.

5 The liability of the members of the Company is limited.

6 Every person who is a member of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up while such person is a member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before such person ceases to be a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding €1.27.

WE, the several persons whose names, addresses and descriptions are subscribed, wish to be formed into a company in pursuance of this Memorandum of Association.

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**NAMES, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS**

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Robert Ryan,  
29 Hampton Crescent,  
Booterstown,  
County Dublin.  
Solicitor.

Mark Pery-Knox-Gore,  
173 Orwell Road,  
Rathgar,  
Dublin 14.  
Solicitor.

V. J. D. Kirwan  
22 Elton Park  
Sandycove  
Co. Dublin.  
Solicitor.

Shaun O'Shea  
3A Sandymount Avenue  
Ballsbridge  
Dublin 4.  
Solicitor.

Alan Kirwan  
21 Eaton Square  
Monkstown  
Co. Dublin.  
Solicitor.

Michael Walsh  
9 Chatham Court  
Dublin 2.  
Solicitor.



Aidan Marsh  
21 Connawood Grove  
Rathminchael  
Bray  
Co. Dublin.  
Solicitor

Dated the 2<sup>nd</sup> day of May 1997

**WITNESS TO THE ABOVE SIGNATURES**

Emma Boylan  
Semmering  
Mount Alto  
Ashford  
Co. Wicklow  
Solicitor's Apprentice

**ARTICLES OF ASSOCIATION  
OF  
IRISH PAPER CLEARING  
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**COMPANIES ACTS 2014**  
**COMPANY LIMITED BY GUARANTEE**  
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**PRELIMINARY**

1 Subject as hereinafter provided, the provisions of the Companies Act 2014 shall apply to the Company. Sections 188(2)(as amended by section 1199(9)), 188(4), 188(6) (as amended by section 1206(c)), 144(2), 1196, and 160(7), shall not however apply to the Company. In the event of any conflict between this Constitution and the provisions of the Companies Act, these Articles shall prevail<sup>1</sup>.

2 In these Articles:-

**"Act"** means the Companies Act 2014 and every statutory modification or re-enactment thereof for the time being in force;

**"Balance"** means a daily or recurring inter-bank bi-lateral balance or liability as arises between ordinary members of the Company in the ordinary course of the conduct of their retail banking or payments business in the State, and whether such balances or liabilities are referable to credit card payments, debit card payments, automated cash withdrawals, unpaid cheques, customer account switching balances and otherwise as may be permitted by the Company from time to time; and **"Balances"** shall be construed accordingly;

**"Balance Transactions"** means the settlement in accordance with the Rules for Clearing of an inter-bank Credit Balance or (as applicable) Debit Balance by or through the operation of the System and pursuant to the Rules for Clearing such that the amount or value of such Credit Balance or Debit Balance is, or is required to be, paid or otherwise recorded as being payable: (a) in the case of such Credit Balance, to any particular ordinary member (whether for itself or on behalf of an associate member for whom such ordinary member acts as agent for the purposes of the System), or (b) in the case of such Debit Balance, by any particular ordinary member (whether for itself or on behalf of an associate member for whom such ordinary member acts as agent for the purposes of the System);

**"Board"** means the board of directors of the Company;

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1. **Note:** The existing Article 1 of the Articles of Association of Irish Paper Clearing Company Limited disapplied a number of Regulations from Table C of the Companies Act 1963. The equivalent provisions of the 2014 Act have been disapplied to the extent that these are now mandatory provisions and cannot be disapplied.

**"Central Bank"** means, as the context so require or admits, the Central Bank of Ireland, either in its capacity as the person having in law regulatory responsibility for the business or activities of the Company or its members in connection with the System or generally the functioning of payment, clearing and settlement systems (including the System) in the State (and in such capacity includes any successor thereto or other person which may have such responsibility) or in its capacity as a member of the Company;

**"Clearing Transaction"** means the clearance and settlement of an item of Credit Paper or Debit Paper by or through operation of the System and pursuant to the Rules for Clearing such that the amount or value of such Credit Paper or Debit Paper is, or is required to be, paid or otherwise recorded as being payable: (a) in the case of such Credit Paper, to any particular ordinary member (whether for itself or on behalf of an associate member for whom such ordinary member acts as agent for the purposes of the System) as recipient, or intended recipient, of such Credit Paper, or (b) in the case of such Debit Paper, by any particular ordinary member (whether for itself or on behalf of an associate member for whom such ordinary member acts as agent for the purposes of the System) where such ordinary member (or associate member as aforesaid) is the issuer or drawee of such Debit Paper; for the purposes of any matters arising under or pursuant to these Articles to which the aforesaid definition may be relevant in connection with any applicant for ordinary membership, the aforesaid definition shall operate such as to refer to such applicant in place of the references to "ordinary member", and to estimates in relation to Credit Paper or Debit Paper in respect of which such applicant (or any associate member for whom it has agreed to act as agent as aforesaid) would respectively be (in the case of Credit Paper) the recipient thereof, and (in the case of Debit Paper) the issuer or drawee thereof;

**"Credit Balance"** means any Balance which represent a credit payable by one ordinary member to another;

**"Clearing Volume"** means, in respect of any relevant period of time for assessment purposes (whether actual or estimated), the total number of Clearing Transactions (a) in respect of Credit Paper, received (or estimated to be received) by all ordinary members, and (b) in respect of Debit Paper, issued by or drawn on (or estimated to be issued by or drawn on) all ordinary members, expressed as an aggregate figure, as processed through the System during that period of time, with such period and number for such period being as certified by the Board;

**"credit institution"** has the meaning assigned to such term in Article 4(1) of Directive 2006/48/EC, and shall include without limitation (for the avoidance of any doubt) a credit union;

**"credit union"** means a society which is registered or deemed to be registered as such under the Credit Union Act, 1997;

**"Credit Paper"** means any means or mode of payment or money transfer in written and visible mode on, or in, paper or documentary form and which, in law and under or pursuant to the Rules for Clearing, is recognised or effective for such purposes to include, without limitation, standing or bankers orders, giro or other payment orders, payroll and traders credits, consumer credits and credit vouchers, in each case being credit payment items denominated in euro or (subject to the Rules for Clearing) any other currency as may at any time in law be constituted as lawful currency of or legal tender in the State;

**"Debit Balance"** means any Balance which represent a debit payable by one ordinary member to another;

**"Debit Paper"** means any means or mode of payment or money transfer in written and visible mode on, or in, paper or documentary form and which, in law and under or pursuant to the Rules for Clearing, is recognized or effective for such purposes to include, without limitation, cheques or other similar debit payment items, in each case being debit payment items denominated in euro or (subject to the Rules for Clearing) any other currency as may at any time in law be constituted as lawful currency of or legal tender in the State;

**"Directive 2006/48/EC"** means Directive 2006/48/EC of the European Parliament and of the Council of 14th June 2006 relating to the taking up and pursuit of the business of credit institutions;

**"financial institution"** has the meaning assigned to that term in Article 4(5) of Directive 2006/48/EC;

**"IPC"** means the organisation known as the "Irish Payments Council", and includes any successor or replacement body thereto from time to time;

**"IPSO"** means the company and organisation known as the "Irish Payment Services Organisation Limited", and includes any successor or replacement body thereto from time to time;

**"member"** means, unless the context otherwise requires, a member of the Company as divided into the categories as referred to in Article 4 (and so that the terms **"ordinary member"** and **"associate member"** shall be determined in accordance with Article 4), and **"membership"** shall be construed accordingly;

**"member's Clearing Volume"** means, in the case of any ordinary member or applicant for ordinary membership (as the case may be), the simple average over any relevant period of time for assessment purposes (actual or estimated) as determined by the Board pursuant to these Articles (or the Rules for Membership, as the case may be) of such member's or applicant's proportion (expressed as a percentage) of the Clearing Volume for the relevant period, and including for such purposes any Clearing Transactions comprised therein in respect of which the said member or applicant acts (or is estimated to act) through its participation in the System as an ordinary member as agent for or otherwise on behalf of an associate member;

**"Register"** means the register of members of the Company to be kept as required by section 169 of the Act<sup>2</sup> and as maintained by the Secretary from time to time;

**"related"** means, in the context of a connection or relationship between two or more persons, that such persons are under common ownership or control in each case as determined by the Board by reference to such information, opinions and circumstances as the Board may consider fit or desirable and may reasonably take into account;

**"Rules for Clearing"** shall have the meaning given to such term in Article 10; "Rules for Membership" shall have the meaning given to such term in Article 5;

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2. **Note:** The register of members was previously dealt with under s116 of the Companies Act 1963. S116 is replaced by s169 of the 2014 Act and the definition has been updated accordingly.

**"Secretary"** means any person, whether or not also a director, appointed by the Board to perform the duties of the secretary of the Company;

**"settlement account"** means an account maintained by an ordinary member within the Payments Module of TARGET 2, to which account is or may be credited or debited (as the case may be) by the Central Bank from time to time or at any time all such funds or moneys as are payable to such ordinary member by other ordinary member(s) and/or (as the case may be) by such ordinary member to other ordinary member(s) in each case as a consequence of such clearing(s), and/or the settlement of Balance Transactions, as may be effected from time to time under or pursuant to the Rules for Clearing;

**"System"** means the payment, clearing and settlement system established, maintained and operated by the Company as referred to in Clause 3(a) of the Memorandum of Association of the Company and therein called the "System";

**"TARGET2"** means the Trans-European Realtime Gross Settlement Express Transfer System, being the single shared technical payments settlement system and platform operated under the auspices of the European Central Bank as used for the settlement in real time of predominantly high value payments denominated in euro (both domestic and cross border); and

**"Voting Rights"** means, in respect of an ordinary member or a director (as the case may be), the weighted vote (expressed as a percentage, with the aggregate such vote at any time of all ordinary members or all directors (as the case may be) being 100%) which such member shall be entitled to exercise at any general meeting of or on any resolution by the Company or (as the case may be) which any director appointed by such member to the Board shall be entitled to exercise at any meeting of or on any resolution by the Board, in each case as determined pursuant to these Articles; and **"all members Voting Rights"** shall be construed accordingly.

In these Articles, where the context admits or requires:

- (a) the word **"company"**, except where used in reference to the Company, shall be deemed to include any firm, partnership, association or other body of persons, whether or not incorporated, and if incorporated, whether or not a company within the meaning of the Act;
- (b) the word **"person"** shall be deemed to include any individual, any company (as defined above) as well as any state, government or other authority, international, national, supreme, municipal, local or otherwise; and
- (c) references to the singular shall include the plural and vice versa; references to any Directive, Statute or Regulation shall include such Directive, Statute or Regulation as amended, varied, supplemented or re-enacted from time to time; and references to the **"State"** means Ireland.

## **MEMBERSHIP**

- 3 The maximum number of persons who may be members is 100, subject to the power of the directors to register an increase in the number of members.<sup>3</sup>

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3. **Note:** Article 3 of the existing Articles of Association of Irish Paper Clearing Company Limited amended Regulation 2 of Table C by inserting the number "100" for the number "500" therein. Regulation 2 is replaced by s1199(6) of the 2014 Act which states that the constitution of a CLG may state the maximum number of members subject to the power of directors to register an increase in the number of members.

4 The members shall consist initially of the subscribers to the Memorandum of Association, and subsequently those persons who from time to time apply for and are accepted into membership of the Company by the Board in accordance with the Rules for Membership (such membership in any individual case to commence from the date the name and address of such person is entered onto the Register as a member, and accordingly to be evidenced thereby), and the members shall be divided into the following categories:

- (a) **"ordinary member"**, being a credit institution or financial institution which maintains a settlement account in its own name for the purposes of, inter alia, facilitating the settlement of Clearing Transactions to which such institution is a party from time to time whether on its own behalf or on behalf of an associate member on an agency or similar basis (and whether or not such associate member is related to such ordinary member); such institution shall, so long as it remains an ordinary member and subject to these Articles, be entitled to attend and vote at general meetings of the Company; and
- (b) **"associate member"**, being a credit institution or financial institution which engages an ordinary member on an agency or similar basis for the purposes of, inter alia, facilitating the settlement of Clearing Transactions and (as applicable) Balance Transactions to which such institution is a party from time to time on behalf of such institutions' customers through the settlement account of that ordinary member; such institution shall not however be entitled to vote at general meetings of the Company but shall be entitled to attend at such meetings if so permitted by the Board.

Notwithstanding the provisions of this Article 5, or of Articles 5(a), 5(b) or 5(f), the Central Bank shall be entitled to become an ordinary member of the Company if it so applies to the Board. Subject as aforesaid the Central Bank, if it is a member, shall be subject (in such capacity) to the provisions of these Articles in the same manner in all other respects as other members. Any such membership shall be separate and distinct from the capacity and functions of the Central Bank as regulator of the business or activities of the Company and the System.

The Secretary shall maintain the Register and provide therein for the category of membership applicable to each member and, in the case of ordinary members, a note as to their respective Voting Rights from time to time as determined pursuant to those Articles. In the event of any dispute as to membership of the Company or any category thereof or attributable Voting Rights, a certified copy extract from the Register as issued by the Secretary at the direction of the Board shall, save in the case of manifest error, as of the date of issue of such extract be conclusive of such matter at such time.

## **RULES FOR MEMBERSHIP**

5 The Board shall have power from time to time to formulate, adopt, alter, vary and amend such principles, rules, access criteria, standards and regulations as may be considered fit or desirable by the Board concerning participation in the System and the admittance to and continued membership of the Company by such persons as may wish to become (or so become) members of the Company. Without limitation to the powers of the Board aforesaid (but which powers shall relate only to matters concerning membership not otherwise so provided for under these Articles), such principles, rules, access criteria, standards and regulations shall as far as practicable take account or cognisance of the following principles:

- (a) an applicant for membership, and a member, must be:
- (i) a credit institution; or
  - (ii) a financial institution,
- in each case so long as the relevant institution is and continues to be supervised by the Central Bank or other competent authority charged by law with the supervision of credit institutions or financial institutions (as applicable) and is authorised by the Central Bank or such other competent authority to provide money transmission services to customers;
- (b) an applicant for ordinary membership, and an ordinary member, must be eligible to participate, and to have duly been admitted to participate, as a direct participant within TARGET2 and maintain a settlement account in its own name through which Clearing Transactions and Balance Transactions to which such member is a party, or in respect of which such member is acting as settlement agent for an associate member, may be settled;
- (c) an applicant for associate membership, and an associate member, must have in place continuing arrangements with an ordinary member whereby the settlement account of that ordinary member may be used to settle Clearing Transactions and (as applicable) Relevant Obligations to which such associate member is a party;
- (d) an applicant for membership, or member as the case may be, must demonstrate that it has the ability to honour all settlement commitments in respect of Clearing Transactions and Balance Transactions and that it has an appropriate level of experience and expertise in the State to participate in the System in accordance with the Rules for Clearing, and further executes and remains a party to such bilateral or multilateral payment, settlement or other agreements as the Board may require from time to time;
- (e) an applicant for membership, or member as the case may be, must demonstrate that it can and will comply with all technical and operational rules and standards applicable to the System pursuant to the Rules for Clearing;
- (f) **[Rule 5(f) stands suspended and accordingly is not currently applicable** - an applicant for membership, or member as the case may be, must demonstrate to the satisfaction of the Board that it would be a significant provider of money transmission services as measured by the volume of Clearing Transactions anticipated to be presented against it by other ordinary members for any period of time for assessment purposes decided by the Board (and for such purposes in the case of an applicant, submits to the Company a five year projection of its anticipated members' Clearing Volume commencing from the date it would or is likely to become a member);]
- (g) an applicant for membership, or member as the case may be, must pay to the Company the required membership applicant administration fee in order to cover such administrative and professional costs as have been or may be incurred by or on behalf of or with respect to the Company in dealing with and processing the application for membership of the Company, in each case as determined by the Board, together with its fair and equitable share of the ongoing administration and operational costs of the Company (as determined by the Board from time to time);



- (h) an applicant for ordinary membership must pay or agree to pay to the Company such amount as represents the aggregate of all such reasonable impact costs as have been incurred or are estimated to be incurred by each existing ordinary member in connection with such ordinary members making the arrangements necessary to be able to accommodate and deal with the applicant through the System, such costs to be determined by reference to such fair and equitable principles as the Board may approve or adopt from time to time.

The principles, rules, access criteria, standards and regulations as aforesaid for participation and membership as adopted from time to time by the Board shall be known as the "**Rules for Membership**" and shall, subject to the said Rules for Membership from time to time being approved by the members in general meeting or by resolution in writing of all the members (in each case being ordinary members), apply to each member as if expressly set out as provisions of these Articles, and accordingly shall bind each member with like effect. In the event of any conflict or inconsistency between these Articles and the Rules for Membership, these Articles shall prevail. Notwithstanding the foregoing, the Rules for Membership may provide for the power, vested in the Board, in any particular circumstances or concerning any applicant for membership, to waive the strict application of any of the access criteria contained in such Rules for Membership subject as provided for therein.

- 6 Unless otherwise so required by law or so permitted by the Board, no person may have access to or participate in or use the System unless such person is a member.

#### **MEMBERSHIP TERMINATION OR SUSPENSION**

- 7 The Board shall be entitled by notice in writing to suspend and/or terminate the membership of a member, with effect at such time as may be decided by the Board, in the following circumstances:
  - (a) such member shall have failed to pay to the Company any sums payable by such member to the Company (or other member) by the due payment date therefor; or
  - (b) such member shall be in breach of or no longer complies with all or any of the provisions of these Articles, the Rules for Membership (including any membership access criteria), the Rules for Clearing or any agreement to which such member and the Company is a party concerning the System, in each case as determined by the Board;
  - (c) such member shall have given notice in writing to the Company that it is withdrawing from membership of the Company or participation in the System or shall not otherwise be bound in full by the Rules for Clearing;
  - (d) the commencement of any winding up, examinership, receivership, creditor moratorium or other analogous event of or affecting such member;
  - (e) such member shall have been issued with a direction by the Central Bank to cease operating as a participant in the System or to cease to be a member; or
  - (f) if, in the reasonable opinion of the Board, any conduct or action of such member shall be regarded as injurious to the standing, character or interests of the Company or may or does threaten the integrity or security or operational reliability of the System;

provided however that, unless the exigencies otherwise so require, in the case of any event occurring as described in paragraphs (a), (b) or (f) of Article 7, the member concerned shall be given not less than fourteen days prior notice of such Board meeting as may be convened to consider any such proposed suspension and/or termination of the membership of such member thereby offering such member the opportunity to make written representations in connection with such event to the Board (such representations to be addressed to the Secretary) and, if considered appropriate by the Board, for such member to have its nominated representative attend and speak at such meeting for such time as the Board considers appropriate.

- 8 In the case of a suspended member, neither it nor any director appointed by it to the Board may, without the consent of the Board, and for so long as such suspension is continuing, attend at any meeting of or vote upon any resolution by the Company or the Board nor may such member be a participant in the System. A member shall be entitled to terminate its membership by giving not less than three months notice in writing of withdrawal served upon the Company. Such notice shall, once served, be irrevocable unless otherwise so agreed by the Board. Any termination or suspension of membership as effected pursuant to these Articles shall be without prejudice to any membership obligations which remain to be performed by the member concerned insofar as such obligations have arisen or accrued on or prior to the date of such termination or suspension. Any person whose membership has been terminated shall, with effect from the relevant date of termination, cease immediately to be a participant or entitled to participate in the System.

#### **MEMBERS VOTING RIGHTS**

- 9 The Voting Rights of ordinary members shall be determined in accordance with the following provisions:
- (a) the Board shall cause records to be maintained, by reference to the financial year of the Company or to such other period(s) of assessment as may be decided upon from time to time by the Board (the "**relevant period of assessment**"), of the Clearing Volume and each member's Clearing Volume for such period; for the purposes of preparing and maintaining such records, the Board shall have regard to such information as it considers fit or desirable, including without limitation such information concerning Clearing Transactions as may be available from use of the System and from each member concerning its use of the System, in each case during the relevant period of assessment and any business or financial status changes or events affecting or likely to affect any such member whether during the relevant period of assessment or in the future;
  - (b) the Voting Rights of each ordinary member shall correspond and be equal to the proportion (expressed as a percentage) which that member's Clearing Volume represents of or bears to the Clearing Volume for the relevant period of assessment, in each case as determined by the Board by reference to the records and information referred to in Article 9(a) above;
  - (c) for the purposes of allocating Voting Rights to applicants for ordinary membership, the Board shall have regard to such information as it considers fit or desirable including, without limitation, (i) any estimates furnished by the applicant as to projected member's Clearing Volumes for such applicant in respect of its proposed participation in the System, (ii) whether that applicant has been a participant previously in an

equivalent or similar clearing and settlement system to the System, (iii) the scope and volume of any Credit Paper and Debit Paper business which members may have transacted with or for that applicant over any relevant time, and all in comparison with the Clearing Volume for the most recent financial year of the Company or other relevant period of assessment;

- (d) as soon as practicable following the admittance of an applicant to membership of the Company, the Board shall cause the Secretary to issue a notice in writing to all members thereby stating with effect from the relevant date of admittance to membership of the applicant the adjusted Voting Rights of all members, having taken into account the Voting Rights being allocated to such applicant as a member;
- (e) as soon as practicable following the termination or suspension of membership of any ordinary member pursuant to these Articles, the Board shall cause the Secretary to issue a notice in writing to all members thereby stating with effect from the relevant date of termination or suspension of such membership the adjusted Voting Rights of all ordinary members, having disregarded the Voting Rights previously but no longer allocated to such ordinary member; provided however that if the suspension of such member is withdrawn or lifted by the Board, the allocation of Voting Rights to such member shall be reinstated and members notified in the same manner as provided for in sub-clause (d) of this Article 9;
- (f) from time to time, and by reference to the records and information referred to in sub-clause (a) of this Article 9, the Board may review the Voting Rights of each or any ordinary member by reference to that member's Clearing Volume in comparison with the Clearing Volume for the relevant period of assessment; following such review, if the Board considers that an adjustment of Voting Rights is required or desirable, having decided upon the relevant adjustment, the Board shall cause the Secretary to issue a notice in writing to all members thereby stating with effect from the date of such notice or other date as may be prescribed by the Board (as the case may be) the adjusted Voting Rights attributable to each ordinary member;
- (g) where an applicant for ordinary membership is related to another ordinary member, or two ordinary members become so related, the related persons shall be entitled to exercise their Voting Rights on an aggregated basis and to have, if they so wish, one representative to represent them (only) whether at meetings or in respect of resolutions of the Board or the Company;
- (h) any notice by the Secretary issued on the direction of the Board as to the Voting Rights of any member as referred to in this Article 9 shall, save in the case of manifest error, be conclusive evidence of such member's Voting Rights in the Company.

## **RULES FOR CLEARING**

- 10 The Board shall have power from time to time to formulate, adopt, alter, vary and amend such rules as may be considered appropriate by the Board concerning the maintenance, use and operation of the System and for the handling and processing of Clearing Transactions and Balance Transactions by and through the System with a view to ensuring the continued integrity, efficiency, security and operational reliability of the System. Such rules shall be known as the "**Rules for Clearing**" and shall be binding on all members. Such Rules for Clearing may also list or specify such events or circumstances upon the occurrence of which

the Board shall be entitled and have power to suspend operation of the System (or any part of it) and/or to exclude any member from participation in the System (or any part of it) whether as of any day or time or for a period of time, and to provide for the consequences of such suspension or exclusion. The Rules for Clearing may be subdivided into two documents so as to address respectively the clearing and settlement of Credit Paper and Credit Balances and the clearing and settlement of Debit Paper and Debit Balances, but so that each such document shall constitute Rules for Clearing, and such clearing shall be regarded and operated together as one payment system.

- 11 Without prejudice to the provisions of Article 7, any breach by a member of any provision of the Rules for Clearing shall entitle the Board to levy a fine on such member for such amount as the Board may determine (having regard to the consequent diminution of the efficiency and effectiveness of the System and any additional or increased costs that may arise or have arisen for other members) and to be paid as a condition of such member's continued membership, and/or to direct such member to remedy such breach, take such action or undertake some commitment by such member as may be required by or is satisfactory to the Board. In any case of a proposed fine, the member concerned shall be given not less than fourteen days prior notice of such Board meeting as may be convened for such purposes thereby offering such member the opportunity to make written representations in connection therewith to the Board (such representations to be addressed to the Secretary) and, if considered appropriate by the Board, for a representative of such member to attend and speak at such meeting for such time as the Board considers appropriate.

## **BOARD OF DIRECTORS**

- 12 The Board shall be composed of not more than 20 directors. The Company may however by ordinary resolution increase or reduce the number of permitted directors provided that the minimum number of directors shall be 2.
- 13 Each ordinary member, following their admittance as a member of the Company, shall be entitled to nominate at any time one person as a director of the Company and to remove at any time any such nominee and appoint another person in his/her place in each case by notice in writing to the Secretary, and with effect from the date specified in such notice. The current Board nominee of such member shall be entitled to exercise, at any vote to be taken at a meeting or by resolution of the Board, such percentage Voting Rights as a director equal to the percentage Voting Rights attributable to such member at the time of such exercise as determined pursuant to Article 9. The chief executive for the time being of IPSO shall be a director of the Company but shall not be entitled to exercise any voting rights at meetings of the directors of the Company.
- 14 The Board shall appoint, and shall ensure as far as practicable that there stands appointed, to the Board one person having in the opinion of the Board relevant knowledge and experience to act as an independent non-executive director of the Company; no such person whilst standing so appointed may be an employee of or consultant to any member of the Company. Such independent director shall hold his/her office on such terms as may be determined by the Board for a period of two years (or such other period(s) as may be determined in any case by the Board) running from the date of his/her appointment and for so long as he/she shall remain as a director of the Company shall also stand appointed as Chairman of the Board.

The power of directors to elect a Chairman under section 160(8) of the Act shall not apply<sup>4</sup>. The Chairman shall not be entitled to vote on any matter at meetings of the Board, save in the case of an equality of votes, in which case the Chairman shall have a casting vote;

- 15 The Board may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit, and any meeting shall be convened upon not less than seven days notice to all directors by the Secretary, or by any other person who may be duly authorised from time to time by the Board to convene a meeting of the Board (whether generally or in respect of a specific meeting or meetings only), acting either on the instructions of the Board or on the requisition in writing (addressed to the Secretary) of not less than two directors (if such directors have supplied to the Secretary sufficient particulars of the business required to be transacted or discussed at such meeting). Where the Chairman of the Board or the Chief Executive for the time being of IPSO (in his capacity as a director of the Company) considers that a certain matter requires urgent consideration, the Secretary or any other person who may be duly authorised by the Board to convene a meeting of the Board in accordance with this Article 15 may convene such a meeting at shorter notice (by telephone or otherwise) as the exigencies require to discuss (only) such matter (any such meeting shall hereinafter be referred to as an "Emergency Board Meeting").
- 16 The quorum required for any meeting of the Board shall be such persons, whether present in person or by alternate pursuant to Article 17 or 18, who together constitute (or represent) a majority in number of the members of the Board at the time of such meeting, and s160(6) is modified accordingly.<sup>5</sup> If a quorum is not so constituted within half an hour after the time appointed for holding same, the meeting shall be adjourned to a date not earlier than fourteen days from the date on which the meeting was adjourned, and if a quorum is not constituted on the adjourned date such meeting shall stand discharged. Any director may participate in a meeting of the Board by means of telephone or other similar means of communication whereby all persons participating in the meeting can hear each other speak; and a director participating in a meeting in this manner shall be conclusively presumed to have been present and to have formed part of the quorum at all times during such meeting unless he has previously obtained the express consent of the chairman of the meeting to cease to take part in the meeting as aforesaid.
- 17 Any director who is unable to attend a meeting of the Board during any financial year of the Company shall be entitled on an exceptional basis, and on one occasion only, during such financial year to appoint any person to be an alternate director for the purposes of that meeting in place of such absent director; and accordingly such director shall not otherwise be entitled to appoint any person to be an alternate director in place of such director (where absent) for the purposes of any other meeting of the Board in such financial year (though for the avoidance of doubt the appointment of an alternate director pursuant to this Article 17 shall be without prejudice to the power of the Secretary or other person duly authorised to convene a meeting of the Board to appoint an alternate director for the purposes of an Emergency Board Meeting in accordance with Article 18 below).

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4. **Note:** Article 14 of the existing Articles of Association of Irish Paper Clearing Company Limited varies the provisions Regulation 53 of Table C. This regulation is replaced by s160(8) of the 2014 Act and we have updated this accordingly.

5. **Note:** Article 16 of the existing Articles of Association of Irish Paper Clearing Company Limited modifies Regulation 51 of Table C regarding quorum. Regulation 51 is replaced by Section 160(6) of the 2014 Act and we have updated this accordingly.

- 18 Any director (hereinafter called "the unavailable director") shall be entitled to nominate not more than three persons to act as "standing alternates" and to remove at any time any such standing alternates and appoint another person or persons in their place in each case by notice in writing to the Secretary. In the event that the Secretary (or other person duly authorised to convene a meeting of the Board) is unable to contact the unavailable director for the purposes of giving notice of the convening of an Emergency Board Meeting, or the unavailable director is otherwise unable to attend such Emergency Board Meeting, any one of the standing alternates nominated for the time being by the unavailable director (but for the avoidance of doubt not more than one) may be appointed by the Secretary (or other person duly authorised to convene a meeting of the Board) to act as an alternate director in the place of the unavailable director for the purposes (only) of such Emergency Board Meeting. Any appointment so made by the Secretary (or other person duly authorised to convene a meeting of the Board) shall be recorded in the minutes of the Emergency Board Meeting, which such record shall be conclusive evidence of such appointment. For the avoidance of doubt, the appointment of an alternate director for the purposes of an Emergency Board Meeting in the place of an unavailable director pursuant to this Article 18 shall be without prejudice to the right of such unavailable director to appoint an alternate director in accordance with Article 17 above.
- 19 Where any vote is required at a meeting of the Board in connection with the adoption, variation or amendment to all or any provisions of the Rules for Membership or the Rules for Clearing, or with regard to the suspension or termination of a member pursuant to these Articles, any resolution proposed in connection therewith shall not be deemed to have been passed by the Board unless (and whether on a show of hands or by secret ballot, as the case may be) not less than 75% of all Voting Rights as of the date of such resolution of those directors present in person at such meeting have been exercised or cast in favour of the said resolution. With respect to all other matters requiring a vote at meetings of the Board, any resolution proposed in connection therewith shall be deemed to be passed if not less than 51% of all Voting Rights as of the date of such resolution of those directors present at such meeting have been exercised or cast in favour of the said resolution.

## OPERATIONS

- 20 The Board may appoint from time to time such persons having, in the opinion of the Board, relevant knowledge or expertise to form an advisory committee (and whether or not constituted as a committee of the Board pursuant to section 158(4))<sup>6</sup> for the purposes of formulating, reviewing and advising on the Rules for Clearing and/or generally the management and technical operation of the System, with a view to the advisory committee making proposals or submissions to the Board in respect thereof. The Board, and any such advisory committee, may liaise from time to time with IPC, in such manner and for such purposes as the Board considers fit, concerning the Rules for Clearing.
- 21 The Board may on behalf of the Company engage or contract with IPC for the provision, in connection with the System, of such payment, clearing or settlement system support, operational or other services (including without limitation, administration, accounting, financial, computer and personnel services) as may be required or considered desirable by the Board for the business or activities of the Company from time to time. The Board shall also ensure

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6. **Note:** Provisions relating to committees of the Board were previously dealt with in Regulation 54 of Table C. These committees are now referred to at s158(4) of the 2014 Act and we have updated this accordingly.

that the Rules for Membership are published and accordingly available in or to the public domain in such manner as the Board considers fit.

- 22 The Board may from time to time appoint any person (whether or not a director) to be the chief executive of the Company, and may delegate to such person such powers of the Board as may be considered fit or desirable in relation to the administration, maintenance, use and operation of the System, and generally in connection with the business and activities of the Company from time to time, and the Board may remove or replace such person from time to time.

## GENERAL MEETINGS

- 23 An extraordinary general meeting may be convened by the Board or on foot of a written request signed by one or more members holding, or together holding, at the date of the deposit of the requisition, not less than 10% of all members' Voting Rights at the date of such request or in default may be convened by such requisitionists as is provided by section 178 (as amended by section 1203 of the Act.)<sup>7</sup>
- 24 In the case of an extraordinary general meeting called by the Board, the Secretary shall give not less than twenty one days written notice thereof to all members. The notice and agenda for such meeting shall state the business of the meeting.
- 25 A request for an extraordinary general meeting pursuant to Article 22 must be in writing addressed to the Secretary, be signed by such members calling for the meeting, and specify the business to be discussed. Following receipt of such a request, if valid in accordance with these Articles, the Secretary shall as soon as practicable give not less than twenty-one days written notice of the meeting requested to all members. The notice and agenda for such meeting shall state the business of the meeting and by whom the meeting has been requested. Discussion and voting at an extraordinary general meeting shall be confined to the business on the agenda.
- 26 The annual general meeting shall be held each year to transact the business referred to in section 186 of the Act<sup>8</sup> and, in addition, to consider and determine the amount of the annual membership fees to be payable as recommended by the Board. Written notice convening an annual general meeting shall be sent by the Secretary to all members not less than twenty one days before the date of such meeting.
- 27 Any member wishing to place an item on the agenda of the annual general meeting, and whether for discussion and/or resolution (as the case may be), shall send written notice of its wish to the Secretary not later than twenty eight days prior to the date of the annual general meeting. The Board shall decide whether or not it is appropriate to table any such item on

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7. **Note:** Article 23 of the existing Articles of Association of Irish Paper Clearing Company Limited require not less than two ordinary members to requisition an EGM. However, the 2014 Act states that the directors shall call an EGM on the requisition of one or more members holding 10% of the voting rights. As this is a mandatory provision we have not carried over the provision from the existing Articles of Association.

8. **Note:** Article 26 of the existing Articles of Association of Irish Paper Clearing Company Limited refers to the business to be transacted at the annual general meeting. This was set out in Regulation 10 of Table C of the Companies Act 1963 which is replaced by s186 of the 2014 Act and we have updated this accordingly.

such agenda, and if so agreed by the Board, such item shall be notified to members with the written notice convening the annual general meeting.

- 28 The quorum required for any general meeting shall be not less than two ordinary members represented in person or by proxy at the meeting and who together would be entitled to exercise not less than 75% of all members' Voting Rights at and as of the date of such meeting and s182(2) shall be modified accordingly.<sup>9</sup>
- 29 Where any vote is required at a general meeting in connection with any matters which constitute (i) special business (including, without limitation any vote in connection with the Rules for Membership), any resolution proposed in connection therewith shall not be deemed to have been passed unless (and whether on a show of hands or by secret ballot, as the case may be) not less than 75% of all members' Voting Rights as of the date of such meeting of those ordinary members represented in person or by proxy at such meeting have been cast and exercised in favour of such resolution; and (ii) ordinary business, any resolution proposed in connection therewith shall not be deemed to have been passed unless (and whether on a show of hands or by secret ballot, as the case may be) not less than 51% of all members' Voting Rights as of the date of such meeting of those ordinary members represented in person or by proxy at such meeting have been cast and exercised in favour of such resolution.
- 30 The references in sections 182(5), 184, 187(3), and 1207<sup>10</sup> of the Act to "members" or "member" shall be construed as references to ordinary member(s). Votes to be cast by any ordinary member in general meeting may only be so cast by such member being represented at and voting at the said meeting.
- 31 Save as modified by these Articles, the provisions of section 181(1)<sup>11</sup> of the Act shall apply concerning the length of notices to be given to members for general meetings. The reference to "registered address" in section 218(6)<sup>12</sup> of the Act shall be construed as a reference to the address of the relevant member as such address is noted in the Register at the time notice is being sent by the Company to such member.

## FINANCIAL

- 32 The financial year (as defined in section 288 of the Act<sup>13</sup>) of the Company shall run from such date in each calendar year as the Board may decide from time to time. The directors shall prepare financial statements of the Company for each financial year.<sup>14</sup>

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9. **Note:** Article 28 of the existing Articles of Association of Irish Paper Clearing Company Limited modifies Regulation 11 of Table C. This regulation is replaced by s182(2) of the 2014 Act and we have updated this accordingly.
10. **Note:** The existing Article 30 of the Articles of Association of Irish Paper Clearing Company Limited refers to Regulations 11, 12, 14, 16 and 28 of Table C. These regulations have been replaced by ss182(5), 184, 187(3) and 189 (as amended by s1207) of the 2014 Act and we have updated this accordingly.
11. **Note:** The existing Article 31 of the Articles of Association of Irish Paper Clearing Company Limited refers to Regulation 8 of Table C. This regulation has been replaced by s181(1) of the 2014 Act and we have updated this accordingly.
12. **Note:** The term registered address was previously used in Regulation 68 of Table C. This is replaced by s218(6) of the 2014 Act and we have updated this accordingly.
13. **Note:** The term financial year was defined at s2 of the Companies Act 1963 and is now defined at s288 of the 2014 Act and we have updated this accordingly.



33 Auditors shall be appointed and their duties regulated in accordance with Chapter 18 sections 380– 393<sup>15</sup> and Part 11 of the Act<sup>16</sup>.

34 The Board may set aside out of the profits (if any) of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Board may lawfully determine.

#### SEAL

35 The Company is hereby authorised to adopt, have and use an official seal (as described in sections 43 and 44 of the Act<sup>17</sup>) for the purposes of or in connection with the transaction of any business by the Company outside the State.

#### WINDING UP

36 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 ordinary members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the ordinary members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no such member shall be compelled to accept any asset whereon there is any liability.

#### INDEMNITY

37 Every director, chief executive, agent, auditor, secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or

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14. **Note:** Article 32 of the existing Articles of Association of Irish Paper Clearing Company Limited states that the accounts of the company shall be made up for such period, not being less than 12 months and no more than 18 months, as the Board may decide from time to time. However, the 2014 Act states that the directors must prepare entity financial statements for the company each financial year. As this is a mandatory provision of the 2014 Act we have not carried over the provision of the existing Articles of Association.

15. **Note:** Article 1 of the existing Articles of Association of Irish Paper Clearing Company Limited disapplied Regulation 67 of Table C and Article 33 amended the duties of auditors. Regulation 67 is replaced by Part 6 Chapters 18 and 19 of 2014 Act. As these are mandatory provisions of the 2014 Act we have not carried over the provision of the existing Articles of Association.

16. **Note:** Part 11 of the 2014 Act replaced Part X of the old companies legislation and we have updated this accordingly.

17. **Note:** This section of the 2014 Act replaced section 41 of the old companies legislation and we have updated this accordingly.

in connection with any application under sections 233 and 234<sup>18</sup> of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. This Article 37 shall only have effect in so far as its provisions are not avoided by section 235 of the Act<sup>19</sup>.

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18. **Note:** This section of the 2014 Act replaced section 391 of the old companies legislation and we have updated this accordingly.

19. **Note:** This section of the 2014 Act replaced section 200 of the old companies legislation and we have updated this accordingly.

## NAMES, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS

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Dated the 2<sup>nd</sup> day of May 1997

**WITNESS TO THE ABOVE SIGNATURES**

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Semmering  
Mount Alto  
Ashford  
Co. Wicklow  
Solicitor's Apprentice