

THE COMPANIES ACT 1985 (AS AMENDED)

MEMORANDUM OF ASSOCIATION
OF
GRASEBY LIMITED¹



1. The name of the Company is "Graseby Limited".
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
 - (1) To invest the funds of the Company and to acquire and hold shares, stocks, debentures and debenture stock, bonds, obligations and securities issued or guaranteed by any individual person or by any company, association or partnership, whether with limited or unlimited liability, constituted or carrying on business in any part of the world, and any right or interest therein, and debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any government, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise whether at home or abroad, and any right or interest therein, and from time to time to any such investments.
 - (2) To acquire any such shares, stocks, debentures, debenture stock, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise, and to subscribe for the same either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.
 - (3) To carry on all or any of the business of manufactures of or dealers in or suppliers of radio and television and communications and electronic and electrical and mechanical equipment of all types and of parts and accessories thereof and materials used or capable of being used in the manufacture of any such equipment, parts or accessories.
 - (4) To carry on all or any part of the businesses of contractors, engineers, suppliers of heat, light and power, metal workers, metallurgists, founders, manufacturers of plastics, wood workers, carpenters, builders, merchants, factors and agents.

¹ The Company was incorporated on 22nd December 1966 under the name "Philips Electronics Holdings Limited and its name was subsequently changed to "Pye Holdings Limited on 19th May, 1967 and to "Cambridge Electronic Industries Limited" on 1st April 1980. On 21st May, 1981 the Company was re-registered as a public company under the name "Cambridge Electronic Industries public limited company" and on 2nd January, 1992 the Company changed its name to "Graseby plc".

- (5) To carry on any other trade or business whatsoever which can, in the opinion of the Company, advantageously or conveniently be carried on by way of extension of or in connection with any such business as aforesaid or is calculated directly or indirectly to increase the value of or turn to account any of the Company's assets, property or rights.
- (6) To undertake and carry on and execute all kinds of financial, commercial, trading and other operations.
- (7) To carry any other business which may seem to be capable of being conveniently carried on in connection with any of these objects or calculated directly or indirectly to enhance the value or facilitate the realisation of or render profitable any of the Company's property or rights.
- (8) To purchase or otherwise acquire, and undertake, wholly or in part for cash or shares or otherwise howsoever, all or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purpose of the Company, and generally to purchase, take on lease or in exchange, hire or otherwise acquire and use any real or personal property, and any rights or privileges which the Company may think necessary or convenient for the purposes of its businesses.
- (9) To amalgamate with or enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint adventure, reciprocal concessions, or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as, directly or indirectly, to benefit the Company, and to take or otherwise acquire or hold shares or stock in or securities of, and to subsidise or otherwise assist any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with such shares, stock or securities.
- (10) To borrow and raise money and secure or discharge any debt or obligation of or binding on the Company in such manner and on such terms as may seem expedient, and in particular by the issue of debentures or debenture stock, whether perpetual or otherwise, and charged or not charged upon the whole or any part of the undertaking or property of the Company, both present and future, including its uncalled capital and to redeem, purchase or pay off any such securities, and to guarantee, support or secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and the uncalled capital of the Company or by both of such methods, the performance of the obligations, and the payment of the capital or principal of and dividends or interest and premiums on any securities, of any person, firm or company including (but without prejudice to the generality of the foregoing) any company which is for the time being the Company's holding company (within the meaning of section 154 of the Companies Act, 1948) or another subsidiary (within the meaning of the said section) of any such holding company.

- (11) To lend money to, or grant or provide credit or financial accommodation to, any person or company in any case in which such loan, grant or provision may be considered likely, directly or indirectly, to further any of the objects of the Company or the interests of its Members.
- (12) To enter into any guarantee, contract of indemnity or suretyship and in particular (but without prejudice to the generality of the foregoing) to guarantee the payment of any principal monies, premiums, interest and other monies secured by or payable under any obligations or securities and the payment of dividends and premiums, on, and the repayment of the capital of, stocks and shares of all kinds and descriptions.
- (13) To draw, make, accept, endorse, discount, negotiate, execute, and issue, buy, sell and deal in bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments or securities.
- (14) To sell, or otherwise dispose of the undertaking or assets of the Company or any part thereof for such consideration as may be thought fit and in particular for stocks, shares, whether fully or partly paid up, debentures, debenture stock or other obligations or securities of any other company.
- (15) To remunerate any person or company for services rendered, or to be rendered, in placing, or assisting to place, any shares in the Company's capital, or any debentures, debenture stock, or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.
- (16) To apply for, purchase or otherwise acquire any patents, brevets d'invention, licences, concessions, and the like conferring any exclusive or non-exclusive or limited right of user, or any invention, mechanism or process, secret or otherwise, or any secret or other information as to any invention 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, or otherwise turn to account, the property rights or information so acquired, and to disclaim, alter or modify such patent rights or protection, and also to acquire, use and register trade marks, trade names, registered or other designs, rights of copyright or other rights or privileges in relation to any business for the time being carried on by the Company.
- (17) To subscribe or guarantee money for any purpose that may be considered likely, directly or indirectly, to further the objects of the Company or the interests of its Members, or for any national, charitable, benevolent, public, general or useful object, or for any exhibition.
- (18) To grant pensions or gratuities to any officers or employees or ex-officers or ex-employees of the Company (including directors and ex-directors) or of its predecessors in business or of its holding company or subsidiary companies (if any), or to the relations, connections, or dependants of any such persons, and to establish or support any associations, institutions, clubs, building and housing schemes, funds and trusts which may be considered calculated to benefit any such persons or otherwise advance the interests of the Company or of its Members.

- (19) To take all necessary or proper steps in parliament, or with the authorities, national, local, municipal or otherwise, of any place in which the Company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company, or effecting any modification in the constitution of the Company, or furthering the interests of its Members, and to oppose any such steps taken by any other company, firm or person which may be considered likely, directly or indirectly, to prejudice the interests of the Company or its Members.
- (20) To distribute among the Members of the Company in specie any property of the Company.
- (21) To act as secretaries, managers, registrars or agents for any other company.
- (22) To do all or any of the things and matters aforesaid in any part of the world and either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.

And it is hereby declared that the word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled or registered in the United Kingdom or elsewhere, and that the objects specified in the different paragraphs of this clause shall not, except where the context expressly so requires, be in anywise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as fully and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.

4. The liability of the Members is limited.
5. The share capital of the Company is £20,750,000 divided into 83,000,000 ordinary shares of 25p each and the Company shall have power to divide the original and any increased capital into several classes, having attached thereto any preferential, deferred, qualified or other special rights, privileges, restrictions or conditions.²

² The company was incorporated with a share capital of £1.15s divided into 7 shares of 5s. each.

On 9th March 1967, the 7 shares in the original capital were designated ordinary shares of 5s. each and the authorised share capital was increased to £12,432,329 by the creation of 49,729,309 additional ordinary shares of 5s. each.

On 19th July 1968, the authorised share capital was increased to £12,478,275 by the creation of 183,784 additional ordinary shares of 5s. each.

By a Scheme of Arrangement registered on 1st October 1979 and sanctioned by an Order of the High Court of Justice on 26th September 1979 the authorised share capital was reduced to £7,656,003 divided into 30,624,012 ordinary shares of 25p each and then increased to £12,478,275 by the creation of 19,289,088 additional ordinary shares of 25p each.

By a Scheme of Arrangement registered on 27th June 1980 and sanctioned by an Order of the High Court of Justice on 23rd June 1980, the authorised share capital was reduced to £3,000,000 divided into 12,000,000 ordinary shares of 25p each and then increased to £12,478,275 by the creation of 37,913,100 additional ordinary shares of 25p each.

On 5th July 1991, the authorised share capital was increased firstly to £16,668,500 by the creation of 16,760,900 additional ordinary shares of 25p each and then to £18,030,000 by the creation of a further 5,446,000 additional ordinary shares of 25p each.

On 23rd May 1996, the authorised share capital was increased to £20,750,000 by the creation of 10,880,000 additional ordinary shares of 25p each.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

| Name, Address and Description of Subscribers | Number of Shares taken by each Subscriber |
|---|--|
| S BULLIMORE 18 Austin Friars London EC2 <i>Solicitor</i> | Four |
| J DAVIS 18 Austin Friars London EC2 <i>Solicitor's Articled Clerk</i> | Three |

DATED the 19th day of December 1996.

WITNESS to the above Signatures:

D B POWELL
18 Austin Friars
London
EC2

Solicitor

[\\SICHQB\DATA\SIMS\CARLISLE\GRASEBY\AGREE\memorandum.doc]

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
GRASEBY LIMITED

COMPANIES HOUSE 21/01/98

ad by Special Resolution passed on 22 December 1997

1. Except as otherwise provided in these Articles, the Regulations contained or incorporated in Table A in the Schedule to the Companies (Table A to F) Regulations 1985, as amended by the Companies (Table A to F) (Amendment) Regulations 1985 (hereinafter referred to as "Table A"), shall apply to the Company. Any regulations previously applicable to the Company under any former enactment shall not apply to the Company. These Articles and the regulations incorporated in them shall take effect subject to the requirements of the Companies Act 1985 as amended and of every other statute for the time being in force affecting the Company (together called the "Statutes").
2. In these Articles, unless otherwise qualified, all words, expressions and phrases shall bear such meaning as would apply under the Statutes.
3. In these Articles, the expression the "owner" means the ultimate holding company of the Company.
4. Regulations 65 to 69 inclusive; 73 to 80 inclusive; 82 to 84 inclusive; 87; 89 and 90; 94 to 96 inclusive; and 118 of Table A shall not apply to the Company.
5. The directors of the Company shall be the persons for the time being and from time to time appointed as directors by the owner who may at any time remove a director from office. This Article is in addition to Regulation 81 of Table A.
6. The Chairman of the directors (if there shall be more than one director) shall be the person for the time being appointed as Chairman by the owner who may at any time remove a person from office as Chairman. This Article is in addition to Regulation 91 of Table A.
7. The owner may appoint any director to be an executive director and such appointment may be designated by any of the words 'Executive'; 'Managing'; 'Technical'; or any other such adjective or descriptive phrase as the owner may determine from time to time. The owner may at any time remove a person from office as an executive director.
8. The appointment of directors and chairmen and executive directors and their removal from office by the owner shall be made by notice in writing, signed by a director or corporate representative of the owner, and shall take effect on the deposit of such notice at the Registered Office of the Company.
9. The remuneration (if any) of a director or an executive director shall be such sum or other benefit as may be agreed between the director and the owner from time to time.
10. Regulation 64 shall be modified so that the Company shall not be required to have more than one director at any time.
11. The quorum for the transaction of the business of the directors shall be two, except that a sole director shall constitute a quorum on his or her own.

A meeting of directors may be conducted by telephone or other equipment providing instantaneous or near-instantaneous verbal communication between all parties involved. The quorum for a meeting held in such way shall be two directors in such communication and the meeting shall be deemed to have taken place at the place from where the Chairman of the meeting participates. The Chairman of the meeting shall decide and announce which method or methods shall be used for indicating voting. The Chairman of the meeting shall satisfy himself that all the directors and any other persons participating have suffered no impediment to making and hearing contributions to any discussion about and voting on any matter under consideration before he declares the results of any such voting.

12. A director who is in any way interested in any contract, transaction or agreement or proposed contract, transaction or agreement with the Company shall declare the nature of his interest at a meeting of directors in accordance with the Statutes or by notice in writing deposited at the Registered Office of the Company. Subject to such disclosure, a director may vote as a director on a resolution concerning any matter in which he has, directly or indirectly, an interest or duty and, if he votes, his vote shall be counted and he shall be counted in the quorum when that resolution or matter is under consideration.
13. Regulation 72 shall be modified so as to permit the directors to delegate to any person such of their powers as they consider desirable to be exercised by him.

14. In accordance with section 91(1) of the Act, section 89(1) and section 90(1) to (5) or section 90(6) of the Act shall not apply to the Company. The directors shall not be entitled to exercise any of the powers, authorities, rights or discretions conferred on them by the Act or these Articles in relation to the issue and allotment of shares and relevant securities without the prior written consent of the owner.
15. The directors shall not be entitled to borrow money or mortgage or charge the property, undertaking or uncalled capital of the Company without the prior written consent of the owner.
16. The owner or the directors with the consent of the owner shall be entitled to make any and all arrangements between the Company and its bankers as it thinks or they think fit from time to time. Such arrangements shall include but not be limited to the appointment of a bank or banks as bankers to the Company, the opening, administration, operation and closing of bank accounts and banking facilities both in the United Kingdom and overseas and in any currency, the determination of the manner by which all cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be; the entering into foreign exchange transactions; the investment of surplus funds of the Company, the arrangement and drawing down of loan facilities; the use and operation of any form of electronic banking arrangements, including making payments and entering into foreign exchange transactions electronically; the issuance of any form of guarantee to or indemnification of any bank; and the agreement to and authorisation of any form of set-off arrangement.

Any representative of the owner duly authorised by the owner in this regard may sign any document and do any thing necessary including but not limited to the attestation of the affixing of the Common Seal of the Company to indicate acceptance of or agreement to any banking related matter, determined by the owner in accordance with this Article, and such signature, execution or action shall be effective as if the matter had been unanimously approved at a duly constituted meeting of the directors.

17. Regulations 53 and 93 of Table A shall be modified so that resolutions in writing may be approved by letter, facsimile, telex or electronic mail, sent to the Registered Office of the Company, in a form that replicates the whole text of the resolution thereby approved and indicates that it has been so approved and includes the name and signature or other words of execution, as appropriate, of the person or body approving the resolution. This Article is in addition to and not limited by the provisions in sections 381A, 381B, and 381C of the Companies Act 1985, as amended.
18. The Company may give notice of meetings to members and officers in writing or by facsimile, telex or electronic mail sent to the latest relevant number or address as provided by the member or officer to the Company. Confirmation by a facsimile, telex or electronic mail network that the transmission of a notice has been successfully made shall be conclusive evidence that notice was given and such notice shall be deemed to have been given 24 hours after confirmation by the relevant network, unless the Company is notified before the expiry of such period that the content of the notice was not wholly legible.

In the case of a member of the Company, any facsimile or telex number or electronic mail address shown by that member as belonging to him on any communication emanating from his registered address may be used by the Company for the purposes of this Article unless and until notification of any change in registered address, facsimile or telex number or electronic mail address is deposited by the member at the Registered Office of the Company.

Regulations 88; 111; 112; 115 and 116 of Table A shall be modified accordingly.

19. A meeting of shareholders or class meeting thereof may be conducted by telephone or other equipment providing instantaneous or near-instantaneous verbal communication between all parties involved. A meeting conducted in such manner shall be deemed to have taken place at the place from where the person appointed Chairman of the meeting participates. Regulations 40 to 45 inclusive of Table A shall be modified so that persons in communication with the Chairman of the meeting shall be deemed to be present at the meeting. The Chairman of the meeting shall decide and announce which method or methods shall be used for indicating voting. Regulation 46 of Table A shall be modified accordingly. The Chairman of the meeting shall satisfy himself that all the persons participating therein have suffered no impediment to making and hearing contributions to any discussion about and voting on any matter under consideration before he declares the results of any such voting. References in this Article to members shall include their duly appointed proxies and, in the case of corporate members, their duly appointed representatives.
20. Every director, other officer or auditor of the Company shall, to the extent permitted by the Statutes, be indemnified out of the assets of the Company against any liability incurred by him in the execution of, or in relation to, his duties. This indemnity shall not apply to any liability to the extent that it is recovered from any person and the indemnity is subject to such officer or auditor taking all reasonable steps to effect such recovery so that the indemnity shall not apply to the extent that an alternative right of recovery is capable of being enforced. Subject to the Statutes, no director, other officer or auditor shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company, in the execution of or in relation to his duties. This Article does not require the Company to purchase and maintain for any such officer or auditor insurance against any such liability, but does not restrict the Company from doing so.