

Company No 00993624

**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS OF**

**D & J (STEELS) LIMITED**  
**(the "Company")**

Circulated to members on the 28 day of February 2008

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolutions below are passed as Special Resolutions

**RESOLUTION 1**

"That the Company adopt new Articles of Association in the form annexed in substitution<sup>1</sup> for the existing Articles of Association "

**RESOLUTION 2**

"That the objects and powers of the Company contained in the existing Memorandum of Association be altered by the addition of the following clause 3 (t) -<sup>1</sup>

To give such financial assistance directly or indirectly for the purpose of the acquisition of shares in the Company or the Company's holding company or for the purpose of reducing or discharging any liability incurred by any person for the purpose of the acquisition of shares in the Company or the Company's holding company as may be lawful "

**RESOLUTION 3**

"That in connection with the acquisition of the entire issued share capital of the Company by D & J (Steels) Holdings Limited ("the Purchaser") and in accordance with Section 155(4) of the Companies Act 1985 the Company be and is hereby authorised to give the financial assistance (details of which are set out in the statutory declaration (Form 155(6)(a) sworn by the directors of the Company on the date hereof), which statutory declaration and the auditors' report attached hereto have been considered by us "<sup>7</sup>

**RESOLUTION 4**

"That the Company be authorised to enter into a legal charge in favour of the Hill & Smith plc ("the Vendor") to guarantee and secure the obligation of the Purchaser to pay part of the consideration for the Company ("the Third Party Legal Charge") "

**RESOLUTION 5**

"That the Company be authorised to enter into an agreement with HSBC Invoice Finance (UK) Ltd ("HSBCIF") who had offered to make available to the Company an agreement for

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the purchase of debts on the terms and conditions set out in a proposed agreement and ancillary documents in relation thereto ("the Invoice Finance Agreement") "

#### **RESOLUTION 6**

"That the Company be authorised to enter into a composite guarantee of the obligations of the Purchaser to HSBC Bank plc ("HSBC") ("the HSBC Guarantee") "

#### **RESOLUTION 7**

"That the Company be authorised to execute a fixed charge on purchased debts which fail to vest in favour of HSBCIF ("the HSBCIF Charge") "

#### **RESOLUTION 8**

"That the Company be authorised to execute a floating charge over its assets in favour of HSBCIF by way of security for the payment and discharge of all obligations and liabilities of the Company (including under the Invoice Finance Agreement) ("the HSBCIF Debenture") "

#### **RESOLUTION 9**

"That the Company be authorised to execute a guarantee and indemnity pursuant to which the Company guarantees to HSBCIF the payment of all monies due to HSBCIF on any account from the Purchaser ("the HSBCIF Guarantee") "

#### **RESOLUTION 10**

"That the Company be authorised to execute a deed of priority with the Vendor, HSBC and HSBCIF to regulate the priority of their securities ("the Deed of Priority") "

#### **RESOLUTION 11**

"That the Company be authorised to enter into a loan agreement to lend the sum of £315,000 to the Purchaser for the purpose of assisting in the acquisition of the entire issued share capital of the Company, such loan to be made on terms that it is interest free, unsecured and repayable on demand ("the Loan") "

Please read the notes at the end of this document before signifying your agreement to the Special Resolutions

The undersigned person entitled to vote on the above Resolutions on 2008 hereby irrevocably agree to the Special Resolutions



*As Attorney,*

for and on behalf of  
Hill & Smith Holdings Plc

## Notes

1 You can choose to agree to all of the Special Resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the Special Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using the following method

By Hand delivering the signed copy to Christopher Hutton-Penman

If you do not agree to all of the resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply

2 Once you have indicated your agreement to all the Special Resolutions, you may not revoke your agreement

3 Unless, by 28 days after the circulation date of *28th February* 2008, sufficient agreement has been received for the Special Resolutions to pass, they will lapse. If you agree to all of the Special Resolutions, please ensure that your agreement reaches us before or during this date

4 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

Company No 00993624

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS OF**

**D & J (STEELS) LIMITED**

On the 28th day of February 2008 the following Written Resolutions were duly passed as Special Resolutions of the Company

**RESOLUTION 1**

"That the Company adopt new Articles of Association in the form annexed in substitution for the existing Articles of Association "

**RESOLUTION 2**

"That the objects and powers of the Company contained in the existing Memorandum of Association be altered by the addition of the following clause 3 (t) -

To give such financial assistance directly or indirectly for the purpose of the acquisition of shares in the Company or the Company's holding company or for the purpose of reducing or discharging any liability incurred by any person for the purpose of the acquisition of shares in the Company or the Company's holding company as may be lawful "

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DATED 28th February

2008

  
CHAIRMAN

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# THE COMPANIES ACTS 1985 AND 2006

## PRIVATE COMPANY LIMITED BY SHARES

### ARTICLES OF ASSOCIATION

OF

### D & J (STEELS) LIMITED



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#### 1. PRELIMINARY

- 1 1 The regulations constituting Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826), and as otherwise amended prior to the adoption of these Articles (Table A) apply to D & J (Steels) Limited (the Company) except in so far as they are excluded or varied by these articles
- 1 2 Words and expressions defined in Regulation 1 of Table A have the same meanings in these articles where the context admits
- 1 3 Regulations 2, 3, 8, 24, 35, 41, 46, 54, 64, 66, 76–79, 84, 94 and 118 of Table A do not apply to the Company
- 1 4 The Company is a private company and no shares or debentures of the Company may be offered to the public

#### 2. SHARE CAPITAL

- 2 1 The share capital of the Company is £450,000 divided into 450,000 ordinary shares of £1 each
- 2 2 Subject to the Act and without prejudice to the rights attached to any existing shares, any share may be issued with or have attached to it such rights or restrictions as the Company may by special resolution determine
- 2 3 In accordance with and subject to the provisions of Part V of the Companies Act 1985 the Company may
  - (a) issue shares that are to be redeemed or are liable to be redeemed at the option of the Company or holder,
  - (b) purchase its own shares (including any redeemable shares),
  - (c) make a payment in respect of the redemption or purchase of any of its own shares as authorised by these articles otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares

### **3. LIEN**

The Company shall have a first and paramount lien on all shares whether fully paid or not registered (whether as sole registered holder or as one of two or more joint holders) in the name of any person indebted or under liability to the Company for all moneys presently payable by him or his estate to the Company. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation.

### **4. TRANSFER OF SHARES**

The directors may in their absolute discretion and without giving any reason refuse to register the transfer of any share whether or not it is a fully paid share.

### **5. PROCEEDINGS AT GENERAL MEETINGS**

5.1 If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting is adjourned to such day and at such time and place as the directors may determine and if a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting is dissolved.

5.2 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote.

### **6. VOTES OF MEMBERS**

Subject to any rights or restrictions attached to any shares and to any other provisions of these articles, on a show of hands every member present in person or by proxy shall have one vote, unless the proxy is himself a member entitled to vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.

### **7. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum. The minimum number of directors is one.

### **8. ALTERNATE DIRECTORS**

8.1 An alternate director may act as alternate director to more than one director and is entitled at a meeting of the directors or of a committee of the directors to one vote for every director that he acts as alternate director for in addition to his own vote (if any) as a director of the Company, but an alternate director counts as only one director in determining whether a quorum is present.

8.2 An alternate director is entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his appointor's absence. But it is not necessary to give notice of such a meeting to an alternate director who is absent from the UK.

- 8 3 Unless otherwise determined by ordinary resolution of the Company, an alternate director is not entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company direct and the Company may pay all travelling, hotel and other expenses properly incurred by an alternate director in connection with attendance at meetings of directors or of committees of directors or otherwise in connection with the business of the Company

## **9. POWERS OF DIRECTORS**

- 9 1 The directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 for a period of five years from the date of adoption of these Articles to allot all or any of the unissued shares of the Company This authority may be varied or revoked by ordinary resolution of the Company
- 9 2 The directors are authorised in accordance with section 91 of the Companies Act 1985 to allot shares of the Company as if section 89(1) of the Companies Act 1985 did not apply to the allotment This power will expire on the date the section 80 of the Companies Act 1985 authority to which it relates is revoked or (if not renewed) expires, except that the directors may after such date allot securities pursuant to any offer or agreement to do so made before such date

## **10. APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 10 1 When and so long as any limited company (herein referred to as "the Parent Company") holds not less than three fourths of the shares of the Company for the time being issued and carrying full voting rights, the Parent Company shall have the right of appointing and removing Directors of the Company and shall be entitled from time to time to remove any nominee of its from the Board and to fill any vacancy therein which may arise from any cause and the Directors in office at whichever is the later of the date of adoption of this Article or the date upon which any limited company shall have become the Parent Company shall for the purposes hereof be deemed to have been appointed by the Parent Company Every such appointment or removal of a Director shall be made by instrument in writing under the hand of an officer of the Parent Company duly authorised and shall be effective immediately upon delivery to the registered office of the Company or presentation at a meeting of the Directors of the Company at which a quorum is present wheresoever the same is being held The Parent Company shall also have the right by such an instrument in writing as aforesaid of appointing any Director (whether appointed by that instrument or already a Director of the Company) to be the Chairman of the Directors and of removing from the office of Chairman any person whether or not so appointed by it The regulations of Table A relating to the appointing of a Chairman of the Directors shall take effect subject to the foregoing provisions of this Article
- 10 2 Save as provided in Article 10 1 no person shall be appointed a director at any general meeting unless
- (a) he is recommended by the directors, or



- (b) not less than 14 or more than 35 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed

- 10 3 Not less than seven nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director. The notice shall give particulars of that person which would, if he were so appointed, be required to be included in the Company's register of directors
- 10 4 Subject as aforesaid the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director
- 10 5 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any maximum number of directors that may be fixed by ordinary resolution

## **11. DIRECTORS' APPOINTMENTS AND INTERESTS**

Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company

## **12. PROCEEDINGS OF DIRECTORS**

- 12 1 A person may participate in a meeting of the directors or of a committee of directors by means of electronic communication provided that throughout the meeting all persons participating in the meeting are able to communicate interactively and simultaneously with all other parties participating in the meeting notwithstanding accidental disconnection of the means of electronic communication during the meeting. A person participating in a meeting in this manner shall be deemed present in person at the meeting and shall be entitled to vote and be counted in the quorum
- 12 2 Subject to disclosure in accordance with section 317 of the Companies Act 1985, a director is entitled to vote at any meeting of the directors or of a committee of

directors on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company, and in relation to any such resolution (whether or not he votes on the same) he is to be taken into account in calculating the quorum present at the meeting

### **13. INDEMNITY**

- 13 1 Subject to the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, each director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs
- 13 2 The Company may buy and maintain insurance against any liability falling upon its directors or other officers which arises out of their respective duties to the Company, or in relation to its affairs