

THE COMPANIES ACT 1985 TO 1989
COMPANY LIMITED BY SHARES



ARTICLES OF ASSOCIATION

of

STANTON BONNA CONCRETE LIMITED

(Adopted by Special Resolution on 30th March 1993)

(Amended by Special Resolution dated 5 December 2002)

(Amended by Special Resolution dated 17 March 2003)

(Amended by Special Resolution dated 5 October 2005)

1. Preliminary

1.1 In these Articles unless the context shall otherwise require:

- (a) **"the Acts"** means the Companies Act 1985 (**"The 1985 Act"**), the Companies Act 1989 (**"The 1989 Act"**) and every statutory modification or re-enactment of either or both for the time being in force.
- (b) **"Table A"** means Table A in the Companies (Table A-F) Regulations 1985 as amended by the Companies (Tables A-F (Amendment) Regulations 1985).
- (c) **"Bonna Shares"** means the ordinary shares of £1.00 each at any time and from time to time issued to Societe Des Tuyaux Bonna.
- (d) **"Internal Special Resolution"** means a resolution passed or agreed in writing by members entitled to attend and vote at general meetings of the Company and holding between them not less than 100 per cent in nominal value of shares (carrying the right to vote) in issue in the Company.
- (e) **"Restructure and Shareholders Agreement"** means an agreement dated 25th February 1993 between Stanton Plc (1) and Societe Des Tuyaux Bonna (2) whereunder the parties agreed inter alia to regulate their voting rights in respect of the Company.
- (f) **"Shares"** means the ordinary shares of £1.00 each in issue at any time and from time to time in the Company.
- (g) **"Stanton Shares"** means the ordinary shares of £1.00 each at any time and from time to time issued to Stanton Plc.

1.2 The Regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded varied or inconsistent) and the Articles hereinafter contained shall be the Articles of Association of the Company.

1.3 Regulations 2,17, 32(a), 39, 64, 73, 74, 75, 80, 94-98 (inclusive) and 118 of Table A shall not apply to the Company.

1.4 Regulation 20 of Table A shall be read and construed as if the words "but it shall first be offered to persons holding the same class of share as the forfeited share before it is offered to any other person" were inserted after the words "or to any other person".

1.5 Regulation 26 of Table A shall be read and construed as if the word "unanimously" was inserted between the words "may" and "determine."

1.6 Regulation 67 of Table A shall be read and construed as if all the words following the words "to be a director" on the second line thereof were omitted.

1.7 Regulation 72 of Table A shall be read and construed as if the words "or Joint Managing Directors" were inserted after the words "Managing Director" in the second sentence.

- 1.8 Regulation 78 of Table A shall be read and construed as if the words "subject as aforesaid" on the first line thereto and the whole of the last line thereof were deleted.
- 1.9 Regulation 79 of Table A shall be read and construed as if all but the first sentence thereof (for the avoidance of doubt ending with the words "number of directors" of the fourth line thereof) was deleted.

2. Private Company

The Company is a private company and accordingly no offer shall be made to the public (whether for cash or otherwise) of any shares in or debentures of the Company and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

3. Share Capital

The share capital of the Company at the date of the adoption of these Articles is £3,334,000.00¹ divided into 3,334,000 ordinary shares of £1.00 each respectively.

4. Class Rights

Whenever the capital of the Company is divided into different classes of Shares the special rights attaching to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only on the passing of an Internal Special Resolution.

5. Issue of Shares

- 5.1 Any shares proposed to be issued after the date of adoption of these Articles shall first be offered by the Directors at such price as the Directors shall think fit (but being at the same price per share for each offeree) to the holders of the Shares in proportion as nearly as may be to the number of existing Shares held by them respectively unless the Company in general meeting by Internal Special Resolution otherwise directs. The offer shall be made by notice specifying the number of Shares offered. The existing holders of the Shares shall be entitled to accept such offer (in whole or in part) by notice in writing served upon the Company at its registered office within twenty eight days from the date of receipt of the offer and they may further specify in such notice their willingness to take any surplus Shares. If such offer is not accepted within such period then such offer shall be deemed declined. After expiry of that period, those Shares so deemed to be declined shall be offered in the proportion aforesaid to the Shareholders who have within the said period accepted all the Shares offered to them and indicated their willingness to take surplus shares and (as between them) in proportion to their holdings; such further offer shall be made in the like terms, in the same manner and limited by a like period as the original offer.
- 5.2 Any Shares not accepted pursuant to such offer or further offer as aforesaid except by

¹ Notes: The authorised share capital of the Company was increased from £2,000,000 by the creation of 1,334,000 additional Ordinary Shares of £1.00 each ranking pari passu with the existing Ordinary Shares of £1.00 each by any ordinary resolution of the Company dated 30th March 1993.

way of fractions shall subject thereto and to any directions which may be given by the Company in general meeting and to any other provision hereof be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit; provided that, in the case of Shares not accepted as aforesaid, such Shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the existing Shareholders. The foregoing provisions of this Article 5 shall have effect subject to Section 80 of the 1985 Act.

6. Restrictions

6.1 Without the holder of the Stanton Shares for the time being given at least 30 days prior written notice thereof (with a view to obtaining written consent thereto) or such lesser number of days as may be agreed by an Internal Special Resolution:

- (a) no increase reduction sub-division consolidation conversion or purchase by the Company shall be made in the authorised or issued share capital of the Company;
- (b) no alteration or variation shall be made to or in the rights attaching to the issued or unissued share capital of the Company;
- (c) no option shall be offered or granted by the Company over the whole or any part of its unissued share capital;
- (d) the Company shall not make any loan or loans, or advance or give any credit (other than nominal trust credit) to any person, except for the purpose of making deposits with bankers which shall be repayable upon the giving of no more than 90 days' notice;
- (e) no guarantee or indemnity to secure the liabilities or obligations of any person shall be given by the Company (other than for the benefit of a wholly-owned subsidiary of the Company);
- (f) the Company shall not enter into any contract arrangement or commitment involving expenditure on capital account or the realisation of capital assets if the amount or the aggregate amount of such expenditure or realisation by the Company, and all of the subsidiaries of the Company would exceed £1,500,000 in any one accounting reference period or in relation by any one project and which shall include, for the purposes of this Article the aggregate amounts payable under any agreement for hire, hire purchase finance lease or purchase on credit sale or conditional sale terms, which shall be deemed to have been incurred in the year in which such agreement is entered into;
- (g) the Company shall not create, acquire or dispose of any subsidiary or of any share in any subsidiary;
- (h) no notice may be presented to voluntarily wind up the Company;
- (i) the Company shall not acquire, purchase or subscribe for any shares, debentures, mortgages or securities (or any interest therein) in any company,

trust or other body including without prejudice to the generality of the foregoing any shares, debentures or securities in itself;

- (j) the Company shall not issue any debentures or other securities convertible into shares or debentures on any share warrants or any options in respect of shares;
- (k) no notice or proposal may be issued to change the Memorandum of Association of the Company or to change the business of the Company from that described in clause 3A of the Memorandum of Association of the Company at any meeting or otherwise;
- (l) no proposal for the manufacture and/or supply of pressure pipes and/or fittings ancillary thereto will be suggested at any meeting;
- (m) the Company shall not create any contract or obligation to pay money or money's worth (including any renewal thereof or any variation in the terms of any existing contract or obligation) except any contracts or obligations which are entered into for full value at arms length in the ordinary and usual course of trading;
- (n) dismiss or purport to dismiss any Stanton Director.

7. Lien

The lien conferred by Regulation 8 of Table A shall apply to all Shares of the Company whether fully paid or not and to all Shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders.

8. Calls

The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 in Table A of the words "and all reasonable expenses that may have been incurred by the Company by reason of such non-payment".

9. Transfer or Shares

- 9.1 The directors shall refuse to register any transfer of Shares made in contravention of the provisions of this Article 9 but (subject to Article 10) shall not be entitled to refuse to register any transfer of Shares made under Article 9 or any transfer of Shares approved by an Internal Special Resolution.
- 9.2 Subject to Article 9.1 any holder of any shares in the Company (hereinafter called "**the Proposing Transferor**") who desires to transfer any shares or any beneficial interest therein shall first give to the Company notice in writing of such desire (hereinafter called a "**Transfer Notice**"). Subject as hereinafter mentioned a Transfer Notice shall constitute the Company the Proposing Transferor's agent for the sale of the Shares specified therein (hereinafter called "**the Sale Shares**") in one or more lots at the discretion of the directors to all the members of the Company other than the Proposing Transferor at a price to be agreed upon by the Proposing Transferor and the Directors or in the case of disagreement at the price which an independent chartered

accountant (acting as an expert and not as an arbitrator) nominated by agreement between the Proposing Transferor and the Company or in default of such agreement nominated at the instruction of either party by the President for the time being of the Institute of Chartered Accountants in England and Wales shall by writing under his hand certify to be in his opinion a fair value thereof on a going concern basis (if the independent chartered accountant shall consider in his absolute discretion such a basis is appropriate in the circumstances) or otherwise on a net asset or break up basis as would be paid by a willing buyer to a willing seller at the date of service of the Transfer Notice and ignoring any reduction or increase in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority or majority interest (as the case may be) (either/or hereinafter called "**the Transfer Price**") notwithstanding the above terms of reference the accountant shall include an obligation to hear (if offered) any representations by or on behalf of any interested parties.

- 9.3 If an independent chartered accountant is asked to certify the fair value as aforesaid his certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Proposing Transferor and the Proposing Transferor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the certified copy to cancel (by notice in writing to the Company) the Company's authority to sell the Sale Shares. The cost of obtaining the certificate shall be borne by the Company unless the Proposing Transferor shall give notice of cancellation as aforesaid in which case the Proposing Transferor shall bear the said costs.
- 9.4 Within fourteen days of the price being fixed as aforesaid and provided the Proposing Transferor shall not give notice of cancellation as aforesaid the Company shall thereafter offer the whole of the Sale Shares at the Transfer Price to all the members of the Company (other than the Proposing Transferor) pro rata as nearly as may be in proportion to the existing number of Shares held by each such member giving details of the number and price (being the agreed or fair value) of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty eight days from the date of the notice whether he is willing to purchase the proportion or some part of the Sale Shares so offered to him. If at the expiration of the said period of twenty eight days there is accepted in part only by the members the Sale Shares then the Proposing Transferor shall be at liberty to transfer all or any such remaining part, not so applied for by the members to any person at a price not being less than the Transfer Price.
- 9.5 Notwithstanding anything in these Articles to the contrary no sale or transfer of any Bonna Shares whether in respect of the beneficial or legal interest therein shall be made or registered without the passing of an Internal Special Resolution unless before the transfer is lodged for approval by the Directors for registration the proposed transferee has made an irrevocable offer in writing to purchase free from all liens, charges and encumbrances all of the Stanton Shares at the same price per share and otherwise upon the same terms as offered and accepted for the Bonna Shares.

- 9.6 For the purposes of this Article and other relevant provisions of these Articles the Articles following shall be deemed (including but without limitation) to be service of a Transfer Notice:
- (a) any direction by a member entitled to allotment or transfer of shares to the effect that such shares or any of them be allotted or issued or transferred to some person other than himself;
 - (b) any sale or other disposition of any beneficial interest in a share (whether or not for consideration or otherwise) by whomsoever made and whether or not affected by an instrument in writing.
- 9.7 If any member of the Company enters into a transaction of the kind referred to in Article 9.6 or otherwise attempts to transfer any shares otherwise than in accordance with this Article 9, or in the case of a corporate member enters into liquidation (except on members' voluntary liquidation for the purposes of reconstruction or amalgamation) or suffers an administrative receiver or receiver to be appointed over all or any of its assets or suffers an administration order to be made against it, such member shall be deemed to have given a Transfer Notice in respect of all shares held by such member immediately prior to that event.
- 9.8 If any corporation becoming or having become a member shall at any time cease to be controlled by the person (which expression shall include a body corporate or firm) or persons who at the time when the corporation became a member had control, the member shall be deemed immediately prior to that event to have served a Transfer Notice in respect of all the shares held by it. For the purposes of this Article 9.8 a person shall be deemed to have control of a corporation if, by reason of the ownership of shares in that corporation or otherwise, the person concerned is able directly or indirectly to secure that the affairs of that corporation are conducted in accordance with the wishes of that person.
- 9.9 The rights of pre-emption contained in this Article 9 shall not apply upon the enforcement of security granted by Bonna Sabla S.A over the Bonna Shares or the subsequent exercise of a power of sale under such security.²

10. Appointment of Directors and Alternates

- 10.1 Notwithstanding any other provisions of these Articles the holders of the Stanton Shares or a majority thereof shall be entitled by notice in writing to the Company to appoint one Director whereupon such Director shall be designated the Stanton Director and by like notice to remove such Director and at any time and from time to time by like notice to appoint any other persons to be a Director in the place of a Director so removed.
- 10.2 The number of Directors of the Company shall (unless the Company by Internal Special Resolution shall otherwise resolve) be not less than two nor more than six.
- 10.3 A Director shall not require a share qualification.

² Notes: inserted in accordance with a special resolution of the Company dated 5 December 2002.

- 10.4 A Director may appoint any other Director or any other person to be an alternate Director and may remove from office an alternate Director so appointed by him. Where relevant, such person shall not be treated as an additional Director for the purposes of Article 10.2. Regulation 65 of Table A shall be modified accordingly.
- 10.5 Every Director appointed pursuant to this Article shall hold office until he is either removed in a manner provided by this Article or by the Company by Internal Special Resolution.

11. Proceedings of Directors

- 11.1 Notice of every meeting of the directors shall be given to every director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any such director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.
- 11.2 Unless altered by Internal Special Resolution the quorum for the transaction of the business of the directors shall be two of whom one shall be the Stanton Director unless the attendance of a Stanton Director has been waived in writing by the Stanton Director.
- 11.3 In the event that at any duly convened meeting and every other adjourned meeting of the directors or of any committee of the directors the meeting is not so quorate, or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day and time and place as the directors may agree in writing) and at such adjourned meeting and every other adjourned meeting the quorum shall be as set out in Article 11.2.

12. Director's Borrowing Powers

- 12.1 Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):
- 12.1.1 of borrowing or securing the payment of money;
- 12.1.2 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to Section 80 of the 1985 Act) of issuing debentures but so that:
- 12.1.3 the directors of the Company shall procure that the aggregate principal amounts for the time being remaining undischarged by virtue of any of the foregoing operations by the Company of the Company and by virtue of any like operations by the Company including any liability (whether ascertained or contingent) under any hire purchase, credit sale, conditional sale or leasing agreements (other than leases of real or hereditible property) as can in accordance with current accounting practice be attributed to capital shall not without an Internal Special Resolution exceed an aggregate sum which exceeds eight million pounds (£8,000,000).
- 12.1.4 The directors of the Company may exercise all the powers of the Company (whether express or implied) of borrowing or securing the payment of money under (i) the

Senior Credit Facility dated 2 August 2005 (as amended and reinstated from time to time) between, inter alios, Sinclair SAS, certain banks and CIBC World Markets plc; and (ii) the *Mezzanine Credit Facility* dated 23 August 2005 (as amended and restated from time to time) between, inter alios, Sinclair SAS, certain banks and CIBC World Markets plc and shall not be subject to the restrictions set out in article 12.1.3.³

13. General Meeting

- 13.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. A meeting at which the holder of the Stanton Shares is present in person by proxy or by authorised representative shall be quorate provided one other member is present. Regulation 40 of Table A shall not apply.
- 13.2 References in Regulation 53 to resolutions being “executed” shall be deemed to be references to resolutions being “signed” and the sentence “Signatures in the case of a body corporate which is a member shall be sufficient if made by a director thereof on its behalf.” shall be deemed to have been added at the end of thereof.
- 13.3 Every notice convening a General Meeting of the Company shall comply with the provisions of Section 372(3) of the Act and shall give information to Members in respect of their right to appoint proxies.
- 13.4 Without prejudice to the provisions of Sections 369(3) and (4) of the Companies Act 1985 all general meetings of the Company shall be called by not less than 21 clear days notice in writing (exclusive of the date of service of the notice and the date of the meeting) in accordance with Article 13.5 below and Regulation 38 shall be amended accordingly.
- 13.5 Notices of general meetings of the Company may be delivered personally or be sent by first class pre paid post or facsimile transmission to the address of the member set out in the register of members or to such other address as the addressee may from time to time have notified to the Company in writing for the purposes of this Article. Notices delivered personally or sent by recorded delivery post shall be deemed to have been received at the time of actual delivery. Notices sent by facsimile transmission shall be deemed to have been received by the addressee at 5:00 p.m. (local time of the addressee) on the second day following the day upon which it was transmitted. In proving service by facsimile transmission proof of service will be accepted on proof of sending a letter to the appropriate facsimile number on that particular date or by sending the confirmatory letter by post.

14. Official Seal

The Company may, in addition to its common seal, have made an official seal for use in any territory or place not situate in the United Kingdom which official seal shall be a facsimile of the common seal of the Company with the addition on its face of the name of every territory, district or place where it is to be used.

³ Notes: inserted in accordance with a special resolution of the Company dated 5 October 2005, replacing previous Clause 12.1.4 which was inserted by a special resolution of the Company dated 17 March 2003.

15. Indemnity

Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company 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 proceedings, whether civil or criminal, in which judgment 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 relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

[TO BE TYPED ON B0S HEADED NOTEPAPER]

Veritas Investments Limited
(Registered No. 5586868)
25 Templer Avenue
Farnborough
Hampshire
GU14 6FE

(the "Company")

November 2005

Dear Sirs

Veritas Investments Limited
The Governor and Company of the Bank of Scotland
~~Senior and Mezzanine Agent Fee Fees~~ Letter

We refer to the facility agreement (~~the "Facility Agreement"~~) dated on or around the date of this letter (as amended, varied, restated, supplemented, replaced or novated from time to time the "Facility Agreement") and entered into between, inter alia, the Company (1), Veritas Investments Limited and The Governor and Company of the Bank of Scotland (the "~~Agent~~") as ~~Agent~~ Arranger, Original Lender, ~~Arranger~~ Agent and Security Trustee (2) and the Original Lenders noted therein (3), in connection with the term loan facility of an amount of £50,000,000 made available to the Company and to the Mezzanine Facility Agreement. Words and phrases defined in the Facility Agreement shall bear the same meaning in this letter.

The annual agency fee payable by the Company to the Agent pursuant to sub-clause 11.3 (~~Agency Fee~~) of the Facility Agreement and to sub-clause 11.3 (~~Agency Fee~~) of the Mezzanine Facility Agreement shall be the amount specified in column two below when the aggregate number of Lenders and Mezzanine Lenders is equal to the number specified opposite that amount in column one below:-

(1) Number of Lenders	(2) Amount of Agency Fee (£)
43	30,000
54	40,000
65 or more	50,000

The annual agency fee will be payable semi-annually in arrears in two equal instalments. The first payment of such fee is payable on the date on which the Agent confirms that the primary syndication of the Facilities and/or the Mezzanine Facilities has been completed, and each subsequent payment is payable at six month

intervals thereafter, for as long as any commitment is in force or amount is outstanding under the Facility Agreement or the Mezzanine Facility Agreement.

~~Notwithstanding anything to the contrary in this Fee Letter or the arrangement fee letter in respect of each of the Facility Agreement and the Mezzanine Facility Agreement from The Governor and Company of the Bank of Scotland addressed to the Company and dated on or around the date of this letter (the "Arrangement Fee Letters"), the Company shall not owe any fees or be liable for any costs or expenses under the Finance Documents if first utilisation under the Facility Agreement and the Mezzanine Facility Agreement does not occur.~~

~~You agree that no lender (other than the Agent and its affiliates) will receive any compensation of any kind for its participation in the Facility or the Mezzanine Facilities except as expressly provided herein or in the Arrangement Fee Letters.~~

~~Except as expressly provided otherwise in this letter, a person who is not a party to this letter may not rely on it and the terms of the Contracts (Rights of Third Parties) Act 1999 are excluded. The Agent and you may amend this letter in writing without the consent of any third party.~~

This letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this letter by facsimile transmission shall be effective as delivery of an original executed counterpart hereof.

This letter and the acceptance hereof shall be governed by and construed in accordance with the laws of England and Wales.

Yours faithfully

For and on behalf of The Governor
and Company of the Bank of Scotland
(as Agent, Arranger and Security Trustee)

We hereby acknowledge receipt of the letter of which the foregoing is a copy and agree to pay the fees specified therein on the dates indicated above pursuant to Clause 11 (~~Fees~~) of the Facility Agreement and to Clause 11-(~~Fees~~) of the Mezzanine Facility Agreement.

Director, for and on behalf of
Veritas Investments Limited

Document comparison done by DeltaView on 11 November 2005 12:29:10

Input:	
Document 1	file://H:/Agent (Sven).DOC
Document 2	file://H:/Arrangement Letter-2.DOC
Rendering set	Standard

Legend:	
Insertion	
Deletion	
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Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
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Deletions	23
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Moved to	0
Style change	0
Format changed	0
Total changes	34