

Company Number 2953938

The Companies Act 1985 and 1989

Written Resolution

of

Contract Components Holdings Limited

The undersigned, being the sole member of the above named company entitled to receive notice of and to attend and vote at general meetings, HEREBY PASSES the following resolution and the said resolution shall, pursuant to the Articles of Association of the Company, be for all purposes as valid and effective as if the same had been passed in a general meeting of the Company duly convened and held.

RESOLUTION

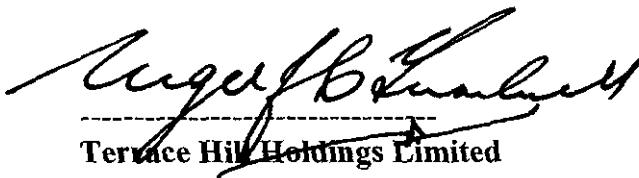
That Articles 3 and 8(C) to 14 of the Company's existing Articles of Association be removed and replaced by the new Articles 3 and 9 to 14, annexed to this written resolution.

RESOLUTION

That the authorised share capital be and it is hereby increased to £1,311,111 being 1,211,111 ordinary shares of £1 each and 100,000 convertible deferred shares of £1 each by the creation of 211,111 ordinary shares of £1 each and 100,000 deferred shares of £1 each, each having the rights set out in the Articles of Association of the Company.

RESOLUTION

That the directors of the Company be and they are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 ("the Act") to allot ordinary shares up to a maximum nominal amount of £211,111 beyond the existing issued Ordinary Shares with nominal value of £1,000,000, and deferred shares up to a maximum nominal amount of £100,000 at any time during the five year period from the date of the passing of this resolution.


Terrace Hill Holdings Limited

Date: 16 February 2001

#1341931



- 3.1 The Share capital of the Company at the date of adoption of these Articles is £1,311,111 divided into 1,211,111 Ordinary Shares of £1 each and 100,000 Convertible Deferred Shares ("Deferred Shares") of £1 each.
- 3.2 The rights attaching to the Deferred Shares shall be as follows:
- 3.2.1 the holders of Deferred Shares shall have no right to receive notice of or to attend or vote at any general meeting of the Company and shall not be transferred without the prior written consent of the other Shareholders;
 - 3.2.2 the holders of Deferred Shares shall have no right to receive any dividend or other distribution;
 - 3.2.3 the holders of Deferred Shares shall, on a return of capital in a liquidation but not otherwise, be entitled to receive the amount paid up on each such share but only after the holder of each Ordinary Share shall have received £10,000,000 per share and the holders of Deferred Shares shall not be entitled to any further participation in the assets or profits of the Company;
- 3.3 Subject as hereinafter provided, by giving to the Company notice in writing signed by a holder of Deferred Shares ("a Conversion Notice") together with the certificate for all Deferred Shares to be converted as specified in such Conversion Notice (or an indemnity for any lost or destroyed certificate in such form as the Company shall approve, such approval not to be unreasonably withheld) and (if the Directors so require) a stock transfer form in respect of such Deferred Shares signed by such holder of Deferred Shares but showing no transferee, such holder of Deferred Shares shall be entitled at any time and in the manner provided in this Article 3.3 to require the Company to convert the Deferred Shares specified in such Conversion Notice into fully paid Ordinary Shares on the basis of one Ordinary Share for each Deferred Share so converted. The requirement to convert shall take effect immediately upon the date of delivery of the Conversion Notice and other documents required by this Article 3.3 to the Company. The Deferred Shares may be converted into Ordinary Shares by such lawful method as the Directors may determine.
- 3.4 Forthwith after conversion takes effect the Company shall issue to the holders of the Ordinary Shares arising upon conversion certificates for such Ordinary Shares.
- 3.5 The Ordinary Shares resulting from the conversion shall rank from the date of conversion *pari passu* with the other issued Ordinary Shares in the capital of the Company.

- 3.6 The creation or issue of Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after the conversion rights of Deferred Shares shall have expired in accordance with Article 3.7 to appoint any person to execute on behalf of the holder of such shares a transfer thereof and/or an agreement to transfer the same to such person or persons as the Company may determine as custodian thereof and/or purchase the same in accordance with the Act in any such case for not more than 1 penny for all the Deferred Shares registered in the name of any such holder without obtaining the sanction of such holder or holders and pending such transfer and/or purchase to retain the certificates (if any) in respect thereof.
- 3.7 Conversion of Deferred Shares may only take place pursuant to valid Conversion Notices given to the Company within four years after the date of adoption of these Articles and not withdrawn.

9 INTERPRETATION OF ARTICLES 10 TO 14

In Articles 10 to 13 where the context allows the following words and phrases shall bear the meanings set opposite them below:-

- | | |
|----------------------|---|
| “Associated Company” | means and includes in relation to any Member |
| | (1) any holding company or subsidiary of the Member concerned or any other subsidiary of any such holding company, “holding company” and “subsidiary” having the meanings in s.736 of the Act; |
| | (2) any company over which the Member concerned has control within the meaning of s.840 Income and Corporation Taxes Act 1988; and/or |
| | (3) any company in which the Member concerned holds or is the beneficial owner of half of the equity share capital as defined by s.744 of the Act or would do or be if such company was a “company” within the meaning of that Act |
| “transfer” | means the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share in the Company: |
| | (i) any direction (by way of renunciation or otherwise) by a Member entitled to an allotment or issue of any |

Share that such Share be allotted or issued to some person other than himself; and

- (ii) any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing.

“Terrace Hill” means Terrace Hill Holdings Limited incorporated in Scotland with (registered number SC 143006)

10 SHARE TRANSFERS

- 10.1 Subject to Article 13 the transfer of Shares by a Member shall be subject to the following restrictions:
- 10.2 Before any Member (the “Offeror”) transfers any of its Shares (the “Offered Shares”) it shall give written notice to the Board (the “Transfer Notice”) and comply with the provisions of this Article 10. The Transfer Notice shall set out the number of Offered Shares, any proposed transferee, any proposed sale price for the Offered Shares which has been agreed between the Offeror and any proposed transferee and whether the Offeror is only willing to sell all of the Offered Shares or will sell part only.
- 10.3 A Transfer Notice shall constitute the Board the Offeror’s agent for the sale of the Offered Shares at a price (“the Sale Price”) which the auditors of the Company (acting as experts and not as arbitrators) certify to be in their opinion the fair value of the Offered Shares, as at the date of the Transfer Notice, as between a willing seller and a willing buyer contracting on arm’s length terms, having regard to the fair value of the business of the Company and its subsidiaries as a going concern or (if higher or if the Offeror has waived the requirement for an auditors’ valuation in accordance with Article 11.3) where this Article 10 is operating in circumstances where Article 11.1 or 11.2 applies, any bona fide proposed sale price for the Offered Shares which has been agreed between the Offeror and any proposed transferee and is set out in the Transfer Notice concerned.
- 10.4 The auditors’ certificate shall be binding upon all parties and the cost of obtaining the auditors’ certificate shall be borne by the Offeror.
- 10.5 The Company shall within 7 days after the issue of the auditors’ certificate send a copy to the Offeror. The Offeror shall be entitled, by notice in writing given to the Company within 14 days after the copy is sent to it, to withdraw the Transfer Notice. A Transfer Notice shall not otherwise be revocable without the consent of the Board, who may impose such condition upon any consent as they think fit, including a condition that the Offeror bears all associated costs.
- 10.6 If the Offeror does not withdraw the Transfer Notice in accordance with

Article 10.5, the Board may, within 21 days after expiry of the 14 day period referred to in Article 10.5, resolve that the necessary statutory approvals should be sought to authorise the Company to purchase the Offered Shares, or any of them, at the Sale Price. If the Board shall so resolve they shall proceed to obtain the necessary resolutions (and where necessary statutory declarations and reports) to enable such purchase by the Company within the following 42 days and the Offeror shall be deemed to have agreed to a contract for the purchase by the Company of the Offered Shares on the terms of this Article 10.

- 10.7 Immediately following the expiry of the 42 day period referred to in Article 10.6 (or if the Board shall not resolve to seek approval for the Company to buy the Offered Shares, expiry of the 21 day period referred to in that Article) the Board shall offer any of the Offered Shares not purchased by the Company to the Members other than the Offeror (the "Remaining Members") pro rata to their existing holdings of Shares for purchase at the Sale Price ("the Offer").
- 10.8 The Board shall give written notice to each of the Remaining Members stating the number of Offered Shares that they are entitled to pro rata. Upon receipt of such notice, the Remaining Members shall have 21 days within which to accept the Offer and (at their discretion) to apply in addition for any Offered Shares not taken up by other Remaining Members under their pro rata allocation.
- 10.9 If the Remaining Members shall in aggregate apply for more than the number of Offered Shares, applications in excess of pro rata entitlements shall be scaled down by the Board in such manner as it shall reasonably decide.
- 10.10 At the expiry of the notice period referred to in Article 10.8 the Board shall notify the Offeror in writing of any of the Company and the Remaining Members wishing to buy the Offered Shares and the Offeror shall, upon receipt of such notification, be bound to transfer the Offered Shares to such of the Company and the Remaining Members as appropriate, **PROVIDED THAT**, if the Company and the Remaining Members together apply for less than the number of Offered Shares and the Offeror stated in the Transfer Notice that it is only willing to sell all of the Offered Shares and not part only, then the Offeror shall not be required to sell part only of the Offered Shares under this Article 10 and it shall be entitled instead to invoke the provisions of Article 10.11 in respect of all of the Offered Shares. The Sale Price payable by the Company shall be paid upon completion of the purchase.
- 10.11 The Offeror shall at any time within 6 months after notification under Article 10.10 be at liberty to transfer any of the remaining Offered Shares not to be transferred under this Article 10 or (if the Offeror stated in the Transfer Notice that it is willing to sell only part of the Offered Shares) all of the Offered Shares to the person (if any) named in the Transfer Notice as transferee at a price not less than the Sale Price provided that the Board approves such transferee, such approval not to be unreasonably withheld.
- 10.12 The Members shall pass all resolutions necessary to enable the provisions of this Article 10 to be effected within a reasonable period of time.

- 10.13 Save for a transfer under Article 10, 11 or 13 the Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer whether or not it is in respect of a fully paid up Share or Shares (Regulation 24 shall not apply to the Company).

11 COME ALONG PROVISIONS

- 11.1 Subject to Articles 10 and 13, if Terrace Hill and/or any Permitted Transferee of Terrace Hill ("the Vendors"):

- (a) receive a bona fide offer on arms length terms which the Vendors intend to accept from a person or persons directly or indirectly acting together to purchase from the Vendors; or
- (b) propose to make a bona fide offer on arms length terms to sell to any person or persons

all of their Shares ("the Vendors' Shares") then before the Vendors accept or make any such offer, they shall give written notice to the other Members ("Remaining Members") and the Vendors (without prejudice to the Vendors' obligations under Article 11.2) shall be entitled in that notice to require the Remaining Members (and subject to their rights to acquire the Vendors' Shares under Article 10, the Remaining Members shall comply with any such requirement by the Vendors) to join with the Vendors in the proposed sale in respect of all of the Remaining Members' Shares, at the same price per Share and upon the same terms mutatis mutandis as those upon which the Vendors propose to sell their Shares (except that there shall be no restrictions on competition imposed on the Remaining Members)

- 11.2 Subject to Articles 10 and 13, if Terrace Hill and/or any Permitted Transferee of Terrace Hill ("the Vendors"):

- (a) receive a bona fide offer on arms length terms which the Vendors intend to accept from a person or persons directly or indirectly acting together to purchase from the Vendors; or
- (b) propose to make a bona fide offer on arms length terms to sell to any person or persons

all of their Shares ("the Vendors' Shares") then the Vendors shall give written notice to the other Members ("Remaining Members") and if within 14 days thereafter any Remaining Member shall serve upon the Vendors written notice invoking the provisions of this Article 11.2 the Vendors (without prejudice to the Vendors' rights under Article 11.1, if any, and the Remaining Members' Rights under Article 10) shall not accept such offer referred to in Article 11.2(a), or make such offer referred to in Article 11.2(b) unless and until the Vendors shall have procured that an offer on terms no less favourable is made by such proposed purchasers to the Remaining Members to purchase all the Remaining Members' Shares or (if later) until the expiry of 14 days after giving the written notice to the Remaining Members as required by this Article

11.2 without any Remaining Member serving a notice on the Vendors under this Article 11,2.

- 11.3 Where Article 10 applies in circumstances where Article 11.1 or 11.2 also applies Article 10 shall operate from when the Vendors serve their notice on the Remaining Members, and when the procedures in Article 10 shall have finished, Article 11.1 or 11.2 shall continue unless the Vendors have sold all their Shares under Article 10. In Article 10 the Vendors as Offerors shall be entitled to waive the requirement for the auditors of the Company to certify the fair value of the Offered Shares, the Board shall not resolve to seek approval for the Company to buy the Offered Shares under Article 10.6 and in any case the successive periods of 7 (if auditors' valuation not waived), 14 (if auditors' valuation not waived), 21 and 21 in Articles 10.5 to 10.8 shall apply as though they were respectively 2 (if auditors' valuation not waived), 2 (if auditors' valuation not waived), 1 and 10
- 11.4 The provisions of Article 10 shall not apply to any transfer pursuant to an offer to the Remaining Members under Article 11.1 or Article 11.2.
- 11.5 The provisions of Articles 10 and 11.1 and 11.2 shall not apply to a Permitted Transfer in accordance with Article 13

12 ENFORCEMENT PROVISIONS

If in any case any Member or Members either as a group or any number of them having become bound to transfer any Shares held by them pursuant to the provisions of Article 10, 11 or 13 shall make default in transferring those Shares, the Board shall authorise some person to execute on behalf of and as attorney for each Member in default any necessary transfers and may receive the purchase money and shall then cause the name of the purchasers to be entered in the register of Members as the holders of those Shares and hold the purchase money in trust for each Member in default.

13 PERMITTED TRANSFERS

- 13.1 For the purposes of this Article:
- (i) the expression, 'a Member of the same group' means a company which is from time to time a holding company of which the transferor company is a wholly owned subsidiary or a wholly owned subsidiary of the transferor company or of any holding company of which the transferor company is a wholly owned subsidiary; and
 - (ii) the expression, 'the relevant shares' means and includes (so far as the same remain from time to time held by the transferee company) the shares originally transferred to the transferee company and any additional shares issued or transferred to the transferee company by virtue of the holding of the relevant shares or any of them; and
 - (iii) in Article 13.3 the expression, 'the transferor company' shall not

include a second or subsequent transferor in a series of transfers, but shall be a reference to the initial transferor in a series of transfers between Members of the same group.

13.2 Articles 10 and 11 shall not apply to any transfer of Shares ("a Permitted Transfer") by any Member, being a body corporate, to a Member of the same group.

13.3.1 Where shares have been transferred within Article 13.2 (whether directly or by a series of transfers thereunder) from a body corporate ('the transferor company') to a Member of the same group ('the transferee company') and subsequently the transferee company ceases to be a Member of the same group as the transferor company, then the transferee company shall forthwith transfer the relevant shares to the transferor company; and failure so to transfer such shares within 28 days of the transferee company ceasing to be a Member of the same group as the transferor company shall result in a Transfer Notice (as that expression is defined under Article 10) being deemed immediately to be given.

14. APPOINTMENT AND REMOVAL OF DIRECTORS

14.1 Any Member, for so long as it and/or any of its Permitted Transferees hold not less than 10% in nominal value of the total Shares, shall have the right to appoint one Director to the Board and at any time to remove and/or replace such person and at the date hereof Freddie Ahlvin shall be deemed to have been so appointed.

14.2 Every appointment or removal made pursuant to Article 14 shall be made by notice in writing to the Company signed by or on behalf of the person or persons entitled to make such appointment or removal.

14.3 Each of the Members hereby undertakes with each of the others to do all things reasonably within its power which are necessary or desirable to give effect to any such appointment or removal.