

Company Number: 3139509

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

RESOLUTION

of

INTERNATIONAL PROCESS TECHNOLOGIES LIMITED
(the "Company")

PASSED on 18 December 2006

At an Extraordinary General Meeting of the Company duly convened and held at the Company's registered office on 18 December 2006 the following resolution was passed as a Special Resolution.

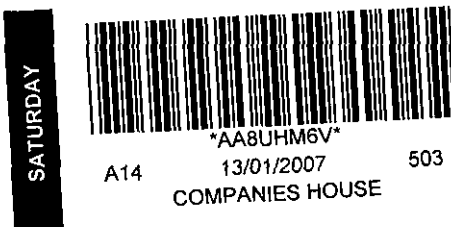
RESOLUTION

THAT, the regulations contained in the printed document produced to the meeting and for the purpose of identification only initialled by the Chairman be and they are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all existing articles of association.



Secretary

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No: 3139509



THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

INTERNATIONAL PROCESS TECHNOLOGIES LIMITED

ARTICLES OF ASSOCIATION

(as adopted by Special Resolution passed on 18 December 2006)

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CONTENTS

Clause	Heading	Page
1	PRELIMINARY.....	1
2	AUTHORISED SHARE CAPITAL.....	4
3	RIGHTS ATTACHING TO SHARES.....	5
4	VARIATION OF CLASS RIGHTS.....	7
5	REDEMPTION AND PURCHASE OF SHARES	7
6	LIEN.....	7
7	PERMITTED TRANSFERS	8
8	PRE-EMPTION PROCEDURE.....	10
9	DECEASED AND BANKRUPT SHAREHOLDER PROVISIONS	12
10	REGISTRATION OF TRANSFERS	12
11	COMPULSORY TRANSFERS	13
12	LIMITATION ON TRANSFER OF CONTROL.....	13
13	GENERAL MEETINGS	14
14	WRITTEN RESOLUTIONS.....	14
15	GENERAL MEETING ON MEMBERS' REQUISITION	14
16	VOTES OF MEMBERS.....	15
17	DIRECTORS.....	15
18	NWV DIRECTOR.....	16
19	ALTERNATE DIRECTORS	17
20	OBSERVER RIGHTS.....	18
21	BORROWING POWERS	18

22	DISPUTES	18
23	NOTICES	18
24	INDEMNITY	19

No: 3139509

The Companies Act 1985

Private Company Limited By Shares

International Process Technologies Limited

Articles of Association

(as adopted by Special Resolution passed on ● 2006)

1 PRELIMINARY

- 1.1 Except as otherwise provided in these Articles, the regulations contained or incorporated in Table A shall apply to the Company.
- 1.2 These Articles and the regulations incorporated in them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.
- 1.3 In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Act" the Companies Act 1985;

"Adjusted Fair Price" the price which the auditors of the Company state in writing to be in their opinion the fair value of the shares concerned on a sale as between a willing seller and a willing purchaser. In determining such fair value the auditors shall be instructed in particular:

- (i) to have regard to the rights and restrictions attached to such shares in respect of income and capital and voting;
- (ii) to have regard to whether such shares represent a minority interest; and
- (iii) if the Company is then carrying on business as a going concern, to assume that it will continue to do so for the foreseeable future.

In stating the Adjusted Fair Price the auditors (whose charges shall be borne by the Company) shall be considered to be acting as experts and not as arbitrators and their decision shall be final and binding on the parties;

"Annual Business Plan" the annual business plan of the Group in respect of each financial year of the Company adopted in accordance with sub-clause 6.1(b) of the Subscription Agreement;

"Approved Offer" an offer in writing for all the Equity Shares in the Company on equal terms as if the shares were one class and which:

- (a) is stipulated to be open for acceptance for at least 21 days;
- (b) includes an undertaking by the offeror that neither it nor persons acting by agreement or understanding with it have entered into more favourable terms or have agreed more favourable terms with any other member for the purchase of shares;
- (c) includes an offer to purchase all Preference Shares outstanding at the price calculated in accordance with Article 3.2;
- (d) has been approved by the Investors.

"Board" the Board of directors of the Company;

"the Company" International Process Technologies Limited;

"Controlling Interest" an interest (within the meaning of Schedule 13 Part 1 and Section 324 of the Act) in shares conferring in aggregate 50% or more of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue;

"Deferred Shares" the deferred shares of £1.00 each in the capital of the Company;

"Directors" the directors for the time being of the Company;

"Due Proportion" in the same proportion, as nearly as may be, as the nominal amount of a Shareholder's existing holding of a class of Shares bears to the total nominal amount of such class of Shares in issue and for this purpose the "A" Ordinary Shares and Ordinary Shares shall constitute one class;

"Employee Trust" the trust to be established by the Board with Institutional Consent to encourage or facilitate the holding of shares in the Company by bona fide full-time employees of the Company or any other Group Company or by any section of such employees, the trustees of which shall be Christopher Dunnett, George Elkin and the NWV Director (or some other persons as NatWest Ventures (Nominees) Limited shall agree);

"Equity Shares" the Ordinary Shares and "A" Ordinary Shares;

"Equivalent Sums" means those amounts calculated pursuant to Article 3.2(b);

"Fair Price" the price which the auditors of the Company state in writing to be in their opinion the fair value of the shares concerned on a sale as between a willing seller and a willing purchaser. In determining such fair value the auditors shall be instructed in particular:

- (i) to have regard to the rights and restrictions attached to such shares in respect of income and capital (ignoring if that is the case, that the Preference Shares have voting rights);
- (ii) to disregard whether or not such shares represent a minority interest;
- (iii) to take no account of whether such shares do or do not carry control of the Company; and

- (iv) if the Company is then carrying on business as a going concern, to assume that it will continue to do so;

"Family Trust" in relation to any Shareholder, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in the shares in question is for the time being or may in the future be vested in any person other than the Shareholder concerned or a Privileged Relation of such Shareholder and no power of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the Shareholder concerned or a Privileged Relation of such Shareholder ;

"Group" the Company and its Subsidiaries for the time being and **"Group Company"** means any of them;

"Institutional Consent" the written approval of the holders of more than 75% of the "A" Ordinary Shares in issue at the time;

"Investors" the holders of 75% of the A Ordinary Shares in issue from time to time;

"Leaver" as defined in Article 11.1;

"Leaver's Shares" in relation to a Leaver, all Shares originally held by that Leaver and any Shares subsequently transferred to him or derived from such Shares;

"Loan Agreement" the facilities agreement dated 23 April 1996 made between inter alia the Company (1) and The Governor and Company of the Bank of Scotland (for itself and as agent for the Banks as defined therein) (2) as that agreement may be amended, varied or replaced from time to time in accordance with clause 6.3(j) of the Subscription Agreement by agreement between the parties to that agreement;

"NWV Director" the director appointed by NatWest Ventures (Nominees) Limited or his alternate under Article 18.1;

"Observer" an observer, appointed by NatWest Ventures (Nominees) Limited in accordance with clause 8 of the Subscription Agreement;

"Ordinary Shares" the ordinary shares of 1p each in the capital of the Company;

"A" Ordinary Shares the "A" ordinary shares of 1p each in the capital of the Company;

"Privileged Relation" in relation to a Shareholder, the spouse or widow or widower of the Shareholder and the Shareholder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Shareholder's children;

"Preference Shares" the redeemable preference shares of £1 each in the capital of the Company;

"Sale" the sale of more than 75 % of the equity share capital of the Company;

"Shareholder" a holder for the time being of shares in the capital of the Company;

"Shares" the issued shares in the capital of the Company from time to time;

"Subscription Agreement" the subscription agreement entered into on 23 April 1996 between Christopher Dunnett and George Elkin (1) the Company (2) NatWest Ventures (3) and NatWest Ventures (Nominees) Limited (4) as that agreement may be amended from time to time;

"Subscription Price" the price per share at which the relevant Shares are issued being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof plus any share premium thereon;

"Subsidiary" a subsidiary undertaking for the purposes of the Act;

"Supplemental Deed" a deed supplemental to the Subscription Agreement substantially in the form set out in the Subscription Agreement;

"Table A" Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended);

"Transfer Notice" as defined in Article 8.1;

"Wholly-owned Group" a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate).

1.4 References in these Articles to:

- (a) **"employees"** shall be deemed to include consultants and directors (other than the NWV Director) and contracts of, commencement or cessation of, employment shall include contracts for, commencement or cessation of, consultancy or directorship; and
- (b) a **"share"** shall include any interests in shares referred to in Section 209(1)(a) and (e) and section 209(10)(c) of the Act.

1.5 In these Articles, unless the context otherwise requires, words and expressions defined in the Act or the Subscription Agreement shall have the same meanings.

1.6 In these Articles, unless the context otherwise requires, the masculine gender shall include the feminine and neuter and the singular shall include the plural and vice versa.

1.7 The headings to these Articles do not affect the construction of these Articles.

1.8 A person shall be deemed to be connected with another if that person is connected with another within the meaning of Section 839 of the Income and Corporation Taxes Act 1988.

2 AUTHORISED SHARE CAPITAL

2.1 The authorised share capital of the Company at the date of adoption of these Articles is £3,295,694 divided into 9,333,333 Ordinary Shares, 18,666,667 "A" Ordinary Shares 2,034,664 Preference Shares and 981,030 Deferred Shares.

3 RIGHTS ATTACHING TO SHARES

3.1 *Income*

Subject to clause 14.12 of the Loan Agreement in respect of the payment, but not the declaration of such dividend the profits of the Company available for distribution shall be distributed amongst the holders of the Equity Shares pro rata according to the amount for the time being paid up on them if 75 per cent of the "A" Ordinary Shareholders so decide.

No dividend shall be payable in respect of the Deferred Shares.

3.2 *Capital*

On a Sale or return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the proceeds resulting from the Sale or the assets of the Company available for distribution amongst Shareholders after payment of its liabilities shall be applied in the following manner and order of priority:

- (a) first, (to the extent that such sum has not already been paid on the redemption of any Preference Share) in paying to the holders of the Preference Shares the sum of £2,586,099 or, if less, the proceeds resulting from the Sale or, as the case may be, the assets remaining after payment of its liabilities;
- (b) second, in paying to the holders of the Preference Shares an amount equal to interest from day to day at 10% per annum above the base rate of National Westminster Bank plc from time to time from 1 January 2002 onwards on the sum of £2,586,099;
- (c) third, in paying to the holders of the Preference Shares a sum equal to 3.5% of the Subscription Price of the Preference Shares they hold, to be calculated for each six month period (or pro rata for a part thereof) from 1 January 2002 onwards in which they held such shares (the "**Equivalent Sums**");
- (d) fourth, in paying to the holders of the Preference Shares a figure equivalent to interest from day to day on each Equivalent Sum at a rate of 10% per annum above the base lending rate of National Westminster Bank plc from time to time, calculated from the expiry of each period in respect of which any such Equivalent Sum is calculated to the date that the application of proceeds is calculated in accordance with this Article;
- (e) fifth, in paying to the holders of the Preference Shares the Subscription Price per share;
- (f) sixth, in paying to the holders of the "A" Ordinary Shares, the Subscription Price per share together with any sum in respect of declared but unpaid dividends calculated down to the date of the return of capital on the "A" Ordinary Shares;
- (g) seventh, in paying to the holders of the Ordinary Shares, the Subscription Price per share together with any sum in respect of declared but unpaid dividends calculated down to the date of the return of capital on the Ordinary Shares;

- (h) eighth, in paying to the holders of the Deferred Shares £1.00 in aggregate for all the Deferred Shares in issue; and,
- (i) finally, in paying the balance to the holders of the Equity Shares *pari passu* as if the same constituted one class of share.

3.3 ***Voting***

(a) *Preference Shares*

The holders of the Preference Shares shall be entitled to receive notice of and to attend either in person or by proxy at any general meeting of the Company but shall not be entitled to vote thereat (either personally or by proxy) unless at the date when the notice convening such general meeting is sent to the Shareholders:

- (i) the business of the meeting includes a resolution directly or adversely affecting, altering or abrogating the rights, privileges or restrictions attached to the Preference Shares;
- (ii) a breach of the warranties in excess of £50,000 or the undertakings contained in clause 6 of the Subscription Agreement having occurred; or
- (iii) there has been an Event of Default (which is Continuing) pursuant to the Loan Agreement (as those terms are defined in that Loan Agreement)

in which event (each an "Event") (but only whilst such Event remains unremedied and any shortfall remains payable) each holder of Preference Shares present in person or by proxy or representative shall be entitled to such number of votes for each Preference Share held by him so that the voting rights conferred on all holders of Preference Shares shall represent all the voting rights attaching to all shares in the capital of the Company after the application of this vote enhancement.

(b) *Equity Shares*

The holders of the Equity Shares shall have the right to receive notice of and attend and vote at any general meeting of the Company. Each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll to one vote for each Equity Share held by him.

(c) *Deferred Shares*

The Deferred Shares shall carry no voting rights.

3.4 ***Redesignation***

Any Ordinary Shares transferred or issued to a holder of "A" Ordinary Shares shall (without further authority than is contained in this Article) forthwith on the transfer of the same be deemed to have been re-designated as an "A" Ordinary Share having all the rights privileges and restrictions attaching to the "A" Ordinary Shares. Any "A" Ordinary Share transferred to a holder of Ordinary Shares shall (without further authority than is contained in this Article) forthwith on the transfer of the same be

deemed to have been re-designated as an Ordinary Share having all the rights privileges and restrictions attaching to the Ordinary Shares.

4 VARIATION OF CLASS RIGHTS

- 4.1 Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled only with the consent in writing of the holders of 75 % of the issued shares of that class.
- 4.2 Without prejudice to the generality of this Article 4, the special rights attached to the Preference Shares and the "A" Ordinary Shares shall be deemed to be varied by:
- (a) the creation, allotment or issue of any shares or securities by the Company or the grant of any option or other right to require the allotment or issue of the same (other than as contemplated in the Subscription Agreement) or the modification, variation, alteration or abrogation of the rights attached to any of the classes of share capital of the Company or the consolidation or sub-division or other re-organisation of the Company's share capital or any part thereof; or
 - (b) the passing of any resolution amending the Company's memorandum or articles of association; or
 - (c) the purchase, redemption or any distribution of capital profits or reserves of the Company in respect of any Shares otherwise than in accordance with the provisions of these Articles; or
 - (d) the passing of any resolution to wind up the Company otherwise than by reason of insolvency.

5 REDEMPTION AND PURCHASE OF SHARES

Subject to the provisions of Part V of the Act and to the rights of the holders of the respective classes of shares of the Company, the Company may:

- (a) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder concerned;
- (b) purchase its own shares (including any redeemable shares); and
- (c) make a payment in respect of the redemption or purchase under Section 159 or 160 or (as the case may be) Section 162 of the Act and the relevant power under (a) or (b) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of Shares to the extent permitted by Section 171 and Section 172 of the Act.

6 LIEN

The lien conferred by Regulation 8 of Table A shall attach also to fully paid-up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company.

7 PERMITTED TRANSFERS

7.1 *Transfers to family shareholders, trusts and nominees:*

- (a) Any Shareholder (or the legal personal representatives of a deceased Shareholder) may at any time transfer up to 50% (or with Institutional Consent, such larger percentage as stated in that consent) of the Shares held by him at the date of the adoption of these Articles to a Privileged Relation or the trustees of his Family Trust.
- (b) The trustees of a Family Trust may, on change of trustees, transfer shares held by them in their capacity as trustees to the new trustees of that Family Trust.
- (c) The trustees of a Family Trust may also transfer any of the shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust.
- (d) Shares may be transferred by a member to a person to hold such shares as his nominee but any transfers by such nominees shall be subject to the same restrictions as though they were transfers by the original member himself.
- (e) Shares may be transferred without restriction by a nominee to the beneficial owner of such shares or to another nominee of the same beneficial owner.
- (f) If any trust whose trustees hold shares in the Company ceases to be a Family Trust, the trustees shall without delay notify the Company that such event has occurred and shall give a Transfer Notice in respect of those shares and, if the trustees fail to give a Transfer Notice, they shall be deemed to have served the Company with a Transfer Notice in respect of those shares.

7.2 *Transfers by corporate shareholders*

- (a) A corporate member may at any time transfer shares to another member of its Wholly-owned Group.
- (b) If a corporate member holding shares transferred to it under Article 7.2(a) ceases to be a member of the same Wholly-owned Group as the original corporate member who held such shares, the corporate member then holding those shares shall without delay notify the Company that such event has occurred and shall give a Transfer Notice in respect of those shares and, if the corporate member then fails to give a Transfer Notice, it shall be deemed to have served the Company with a Transfer Notice in respect of those shares.
- (c) If there is a change in the controller (or, if more than one, any of them) of a corporate member, or any holding company of a corporate member, then that member shall give a Transfer Notice in respect of the shares registered in its name and, if that member then fails to give a Transfer Notice, it shall be deemed to have served the Company with a Transfer Notice in respect of those shares. For the purposes of this Article a person is the "controller" of a corporate member if he has the power or ability to direct the management or the policies of the corporate member, whether through the ownership of voting capital, by contract or otherwise.

7.3 Transfers by an Investor

Shares held by an Investor (or a nominee or custodian of an Investor) who is:

- (i) a person whose principal business is to make, manage or advise upon investments (an "Investment Manager"); or
- (ii) a fund, partnership, company, syndicate or other entity whose principal purpose is to make investments and whose business is managed by an Investment Manager or who is advised by an Investment Manager (an "Investment Fund"); or
- (iii) a nominee or custodian of an Investment Manager or an Investment Fund

may be transferred between the Investor (or its nominee or custodian) and:

- (a) where the Investor is an Investment Manager or a nominee of an Investment Manager:
 - (i) any participant or partner in or member of any Investment Fund in respect of which the shares are held (but only in connection with the dissolution of such Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);
 - (ii) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor;
 - (iii) any other Investment Manager who manages the business of the Investment Fund in respect of which the shares are held;
- (b) where that Investor is an Investment Fund or a nominee of an Investment Fund:
 - (i) any unitholder, participant or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);
 - (ii) any other Investment Fund whose business is managed or who is advised by the same Investment Manager as the Investment Fund which is or whose nominee or custodian is the transferor;
 - (iii) the Investment Manager who manages the business of the Investment Fund or advises it (or any employee of such Investment Manager or adviser) which is or whose nominee or custodian is the transferor

(or, in the case of either (a) or (b), a nominee or custodian on behalf of such person).

7.4 Transfers to a Syndicate Partner

Any transfer made by Nat West Ventures (Nominees) Limited to a Syndicatee pursuant to the provisions of the Subscription Agreement.

7.5 Transfers to the Employee Trust

Any Shareholder (or the legal personal representative of a deceased Shareholder) may at any time transfer Shares to the trustees of the Employee Trust and the trustees of the Employee Trust may transfer any shares:

- (a) upon change of trustees, to the new or remaining trustee or trustees for the time being of the Employee Trust; and
- (b) with Institutional Consent, to any bona fide employees of the Company or any other Group Company on their becoming entitled to the same under the terms of the Employee Trust.

7.6 Transfers in accordance with Subscription Agreement

Any shares may be transferred in accordance with the provisions of clause 4 of the Subscription Agreement.

8 PRE-EMPTION PROCEDURE

8.1 Except as provided in Articles 7, 11, or 12 no member, or person entitled to shares in the Company by transmission, shall be entitled to transfer his shares without first offering them for transfer to the holders of the other shares in the Company whether or not of the same class. The offer may be in respect of all or part only of the shares held by the proposing transferor and shall be made by the proposing transferor by notice in writing to the Company (a "**Transfer Notice**").

8.2 The Transfer Notice shall specify the shares offered (the "**Offered Shares**") and the price at which they are offered (the "**Specified Price**"). The Transfer Notice shall constitute the directors as the agent of the proposing transferor for the sale of the Offered Shares to other holders of shares whether or not of the same class at the Specified Price. The Transfer Notice may contain a provision that, unless all the Offered Shares are sold under this Article, none shall be sold. The Transfer Notice may not be revoked unless the directors with Institutional Consent otherwise agree.

8.3 On receipt by the Company of the Transfer Notice the directors shall as soon as practicable give notice to all the holders of shares (other than the proposing transferor) of the number and description of the Offered Shares and the Specified Price. The notice shall invite each of the members to state in writing to the Company within 30 days whether he is willing to purchase any, and if so what maximum number ("**Maximum**"), of the Offered Shares. The directors shall at the same time give a copy of the notice to the proposing transferor.

A person who expresses a willingness to purchase Offered Shares is referred to below as a "**Purchaser**".

8.4 On the expiration of the 30 day period the directors shall allocate the Offered Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as follows:

- (a) if the Offered Shares are "A" Ordinary Shares they shall be allocated in the following order amongst Purchasers:
 - (i) first to "A" Ordinary Shareholders other than the transferor;
 - (ii) secondly to the Employee Trust; and
 - (iii) thirdly to Ordinary Shareholders;

- (b) if the Offered Shares are Ordinary Shares they shall be allocated in the following order amongst Purchasers:
 - (i) first to the Employee Trust;
 - (ii) secondly, if the Employee Trust is not in existence or is in existence but fails to express a willingness to purchase on the grounds that it has insufficient funds available to finance the purchase of the Offered Shares, to Ordinary Shareholders other than the transferor; and
 - (iii) thirdly to "A" Ordinary Shareholders;
- (c) each allocation between the holders of any class shall in the case of competition be made pro rata to the nominal amount of shares of that class held by him but shall not exceed the Maximum which such holder shall have expressed a willingness to purchase;
- (d) Offered Shares shall only be allocated to Purchasers who are the holders of a class of shares different from the Offered Shares to the extent that any remain unallocated after satisfaction of the Maximum of holders of the class(es) of shares entitled to a prior allocation; and
- (e) if the Transfer Notice shall state that the proposing transferor is not willing to transfer part only of the Offered Shares, no allocation will be made unless all the Offered Shares are allocated.

8.5 On the allocation being made, the directors shall give details of the allocation in writing to the proposing transferor and each Purchaser and, on the seventh day after such details are given, the Purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the proposing transferor shall be bound, on payment of the purchaser price, to transfer the Offered Shares to the respective Purchasers to whom the allocation has been made.

8.6 If the proposing transferor after becoming bound to transfer Offered Shares fails to do so, the Company may receive the purchase price and the directors may appoint a person to execute instruments of transfer of the Offered Shares in favour of the Purchasers to whom the allocation has been made and shall cause the names of those Purchasers to be entered in the register of members of the Company as the holders of the Offered Shares and shall hold the purchase price in trust for the proposing transferor. The receipt of the Company shall be a good discharge to those Purchasers and, after their names have been entered in the Register of Members of the Company under this provision, the validity of the transactions shall not be questioned by any person.

8.7 If, following the expiry of the 30 day period referred to in Article 8.4, any of the Offered Shares have not been allocated under that Article, the proposing transferor may (subject to the provisions of Article 11) at any time within a period of 90 days after the expiry of the 30 day period transfer the Offered Shares not allocated to any person and at any price (being not less than the Specified Price) provided that:

- (a) if the Transfer Notice contained a provision that, unless the Offered Shares are sold under this Article, none shall be sold, he shall not be entitled to transfer any of the Offered Shares unless in aggregate all the Offered Shares are so transferred; and

- (b) the directors may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the Purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the directors' absolute discretion to refuse to approve or register any transfer of shares in the circumstances described in Article 11).

8.8 No restriction on transfer of shares under this Article 8 or any other of these Articles shall apply to the transfer of 490,515 Preference Shares (re-classified as Deferred Shares as at the date of these Articles) and 3,572,016 A Ordinary Shares from 3i Group plc to Griflex Products Limited on 18 December 2006 or the transfer of 490,515 Preference Shares (re-classified as Deferred Shares as at the date of these Articles) and 3,572,017 A Ordinary Shares from PPMC Nominees Limited to Griflex Products Limited made on 18 December 2006, such transfers being hereby ratified and approved.

9 DECEASED AND BANKRUPT SHAREHOLDER PROVISIONS

9.1 Regulations 29, 30 and 31 of Table A shall be applied subject to the provisions of Article 9.2 below and of Article 12.

9.2 A person entitled to a share in consequence of the bankruptcy of a member shall be bound at any time, if and when required in writing by the Investor so to do, to give a Transfer Notice in respect of such share, and if such person fails to give a Transfer Notice, he shall be deemed to have served the Company with a Transfer Notice in respect of that share. The provisions of Article 8 shall apply to the share and the Transfer Notice; the Transfer Notice (if not actually given) shall be deemed to have been received by the Company on the date on which the directors required the Transfer Notice to be given and the Specified Price shall be the Fair Price as at the date on which the Transfer Notice is either actually given or deemed to have been received by the Company and the directors shall give notice under Article 8.3 as soon as the Specified Price is ascertained.

10 REGISTRATION OF TRANSFERS

10.1 The directors shall refuse to register a proposed transfer not made under or permitted by Articles 7, 8, 9, 10, 12 or 13.

10.2 The directors may also refuse to register a transfer of a share on which the Company has a lien.

10.3 A person executing an instrument of transfer of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect of it.

10.4 The directors shall (unless he is already a party to the Subscription Agreement or the transfer is pursuant to an Approved Offer) refuse to register an allottee or transferee of shares or a person entitled to shares by transmission until he has executed (in a form satisfactory to the Investors) an undertaking under seal to those persons who are parties to or who have agreed to adhere to the Subscription Agreement whereby such allottee or transferee undertakes to adhere to and be bound by the provisions of the Subscription Agreement as if such allottee or transferee were an original party thereto and an original copy of such undertaking has been delivered to the Company.

10.5 The first sentence of Regulation 24 of Table A shall not apply.

11 COMPULSORY TRANSFERS

- 11.1 If any person other than one of the directors appointed in accordance with Article 18, who at the date of adoption of these Articles, or subsequently, is employed by the Company or any Subsidiary, shall cease to be so employed for whatever reason (including death or a Subsidiary of the Company ceasing to be a Subsidiary of the Company) (a "**Leaver**") then, unless the Investor shall within 90 days of such cessation otherwise resolve, the Leaver shall, in respect of all of his shares, and each person holding any Leaver's Shares shall, in respect of those Leaver's Shares, be deemed to have authorised the directors to transfer such shares to the Employee Trust (in which case the price payable shall be determined in accordance with Article 11.2 below) and the trustees of the Employee Trust shall be free to transfer such Leaver's Shares, in their absolute discretion. If for any reason the Employee Trust has not been established, the Leaver shall be deemed to have authorised the directors to transfer such shares to such person(s) (being either employee(s) of the Group or person(s) who intend subsequently to transfer those shares to employee(s) of the Group) as the Board with Institutional Consent may nominate within 30 days of such resolution (in which case the price payable shall be the price determined in accordance with Article 11.2 below) and, failing such nomination in respect of any such shares (the "**remaining shares**"), he shall be deemed to have served a Transfer Notice in respect of the remaining shares on the 31st day after such resolution (in which case the Specified Price for the remaining shares shall be the price determined in accordance with Article 11.2 below).
- 11.2 On a transfer under this Article the price per share shall be determined as follows:
- (a) if the Leaver ceases to be employed as a result of retirement at normal retirement age, unfair dismissal, wrongful dismissal, death or incapacity, the Price shall be the Fair Price;
 - (b) if the Leaver ceases to be employed for a reason not within the circumstances described in Article 11.2(a) above:
 - (i) before 31 December 1998, the price shall be the lower of the Subscription Price of such share and the Adjusted Fair Price; and
 - (ii) after 31 December 1998, the price shall be the Adjusted Fair Price.

The Fair Price and the Adjusted Fair Price shall be calculated as at the date the relevant person became a Leaver save in respect of Article 11.2(a) when the calculation shall be as at the date which is twelve months after the relevant person became a Leaver.

- 11.3 The preceding provisions of this Article may at any time be waived in whole or part by the Board provided Institutional Consent is obtained.

12 LIMITATION ON TRANSFER OF CONTROL

- 12.1 No sale or transfer of any interest in any shares conferring a right to vote at general meetings of the Company which would result, if made and registered, in a person (or one or more persons as part of a single transaction or otherwise acting by agreement or understanding) or connected persons of that persons obtaining or increasing a Controlling Interest in the Company shall be made or registered unless an Approved Offer is made.
- 12.2 Any transfer of shares pursuant to an Approved Offer shall not be subject to the restrictions on transfer contained in these Articles.

- 12.3 If any member shall fail to accept an Approved Offer in accordance with its terms by the first closing date of that Approved Offer and the holders of more than 75 % of the "A" Ordinary Shares in issue at the time have accepted, the Investors may authorise some person to execute any forms of acceptance on behalf of such member in relation to the Approved Offer and/or transfers in favour of the relevant offeror (or as they may nominate) pursuant to the acceptance of the Approved Offer and the consideration may be received by the Company on behalf of any such member. Upon the Company receiving such consideration and transfer (duly stamped) the offeror or its nominee shall be entered in the Register of Members of the Company. The certificate(s) in respect of any shares so transferred, in the name of the original member, shall be deemed to be cancelled and a new certificate shall be issued in the name of the offeror or its nominee. The receipt of the Company for the consideration shall be a good discharge to the offeror who shall not be bound to see to the application of it, and after such registration in exercise of the above powers the validity of the proceedings shall not be questioned by any such person. The Company shall hold the said consideration on behalf of any such member in a separate bank account on trust for the relevant member pending delivery up of the cancelled certificate(s).
- 12.4 The NWV Director and the Investors may disclose any information relating to the Group to a third party considering making an Approved Offer or its representatives or advisers subject to obtaining an appropriate commitment as to confidentiality and bona fides.

13 GENERAL MEETINGS

- 13.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the Chairman or by any Shareholder present in person or by proxy. The demand for a poll may be withdrawn.
- 13.2 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote.

14 WRITTEN RESOLUTIONS

- 14.1 A resolution in writing signed by or on behalf of all the Shareholders for the time being entitled to vote shall be as, effectual as if it had been passed at a general meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more Shareholder. In the case of a corporation the resolution may be signed on its behalf by a Directors of it or by its duly appointed or duly authorised representative. Regulation 53 of Table A shall not apply.

15 GENERAL MEETING ON MEMBERS' REQUISITION

- 15.1 In addition to any relevant provisions of the Act, the directors shall forthwith proceed to convene an extraordinary general meeting of the Company on the requisition of holders of not less than 50 per cent. by nominal value of the "A" Ordinary Shares in issue at the date of deposit of the requisition, such meeting to be convened for such date as is specified in the requisition or as soon thereafter as the Act permits.
- 15.2 The requisition must state the objects of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists.

- 15.3 If the directors do not within seven days from the date of the deposit of the requisition proceed to convene a meeting in accordance with this Article, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from that date.
- 15.4 A meeting convened under this Article by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.
- 15.5 Any reasonable expenses incurred by the requisitionists by reason of the failure of the directors to convene a meeting in accordance with this Article shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the directors as were in default.

16 VOTES OF MEMBERS

A proxy appointed by a member of the Company under section 372 of the Act may vote on a show of hands as well as on a poll, but no person present shall be entitled to more than one vote on a show of hands. Regulation 54 of Table A shall be amended accordingly.

17 DIRECTORS

- 17.1 The number of Directors (other than alternate Directors) shall not be less than two nor more than eight. Regulation 64 of Table A shall not apply.
- 17.2 The Directors shall not be subject to retirement by rotation and Regulations 73 to 75 (inclusive) and the last sentence of Regulation 84 of Table A shall not apply and Regulations 76 to 79 (inclusive) shall be amended accordingly.
- 17.3 The quorum necessary for the transaction of business of the Directors shall be two, at least one of whom shall be the NWV Director or his alternate if at the time of the meeting the NWV Director has been appointed.
- 17.4 In the event of a quorum not being present or ceasing to be present, the meeting shall be adjourned to the same day in the next week at the same time and place and, provided that the NWV Director or his alternate is present at such adjourned meeting such Directors as may be present at such adjourned meeting shall constitute a quorum.
- 17.5 Any Director able to participate in the proceedings of a meeting by means of a communication device (including, without limitation, a telephone) which allows all the other Directors present at such meeting (whether in person or by proxy or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by proxy or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 17.6 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit **provided that** all meetings of the Directors shall be held within the United Kingdom or as otherwise agreed by the majority of the Board (such majority to include the NWV Director). A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Unless a majority of the Directors (including the NWV Director) or his duly appointed alternate present in the United Kingdom shall agree to the holding of a meeting by shorter notice, at least 7 days notice of every meeting of Directors shall be given either

in writing or by cable or telex or other means of visible communication to each Director, unless absent from the United Kingdom. Regulation 88 of Table A shall be amended accordingly.

- 17.7 A person may be appointed a Director notwithstanding that he shall have attained the age of seventy years and no Director shall be liable to vacate office by reason of his attaining that or any other age.
- 17.8 At any meeting of the Directors each Director (or his alternate Director) present at the meeting shall be entitled to one vote.
- 17.9 In the case of an equality of votes at any meeting the Chairman of such meeting shall not be entitled to a second or casting vote. Regulation 88 of Table A shall be modified accordingly.
- 17.10 Subject to the provisions of Section 317 of the Act, a Director (including an alternate Director) may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a Director. If Institutional Consent is obtained, a Director shall also be capable of voting in respect of such contract or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company or of the arrangement the terms thereof and may be counted in the quorum at any meeting at which any such matters are considered. Regulations 94 to 96 (inclusive) of Table A shall not apply.
- 17.11 In Regulation 79 of Table A there shall be inserted the words "shall then be eligible for re-election" in place of the words "shall not be taken into account in determining the directors who are to retire by rotation at the meeting."
- 17.12 A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors, but so that the expression "Director" in this Article shall not include an alternate Director. Regulation 93 of Table A shall not apply.
- 17.13 The Directors may by resolution exercise all the powers of the Company to make provision (in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any Subsidiary) for the benefit of persons employed or formerly employed by the Company or that Subsidiary.
- 17.14 A Director and an alternate Director shall not be required to hold any shares, but nevertheless shall be entitled to attend and speak at any general meeting of the Company.

18 NWV DIRECTOR

- 18.1 NatWest Ventures (Nominees) Limited shall be entitled to appoint as a director of the Company any person and to remove from office any person so appointed and (subject to such removal) to appoint another person in his place.
- 18.2 Any appointment or removal of the NWV Director shall be by signed instrument in writing served on the Company by NatWest Ventures (Nominees) Limited and shall take effect on and from the date on which such instrument is lodged or deposited at the registered office of the Company without any resolution of the Directors or of the Company in general meeting and notwithstanding anything provided by Regulations 73 to 80 (inclusive) of Table A.

- 18.3 Subject to Section 303 of the Act, on any resolution to remove the NWV Director the Shares held by NatWest Ventures (Nominees) Limited shall together carry at least one vote in excess of 75 % of the votes exercisable in respect of that resolution at the general meeting at which such resolution is to be proposed and if any such NWV Director is removed pursuant to Section 303 of the Act NatWest Ventures (Nominees) Limited may reappoint him or any other person to replace him as the NWV Director.
- 18.4 The NWV Director (and any alternate Director appointed by him) shall be entitled to make such disclosure to the "A" Ordinary Shareholders in relation to the business and affairs of the Group as he may in his absolute discretion determine but subject always to his fiduciary duty.
- 18.5 NatWest Ventures (Nominees) Limited shall also be entitled to appoint an additional director of the Company and, as a separate appointment, the chairman of the Company and to remove from office persons so appointed and to appoint other persons in their place. Any such appointment or removal shall be by signed instrument in writing served on the Company by NatWest Ventures (Nominees) Limited and shall take effect on and from the date on which such instrument is lodged or deposited at the registered office of the Company without any resolution of the Directors or of the Company in general meeting and notwithstanding anything provided by Regulations 73 to 80 (inclusive) of Table A. The remuneration and reasonable expenses to be paid to such directors and chairman shall be payable by the Company and shall be such sum as may be agreed between him and the Company or failing agreement such reasonable sum as shall be fixed by Natwest Ventures (Nominees) Limited. The provisions of Article 18.3 shall apply on any resolution to remove such directors and chairman.

19 ALTERNATE DIRECTORS

- 19.1 Each director shall have the power at any time to appoint as an alternate Director either another Director or any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld), and, at any time, to terminate such appointment. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
- 19.2 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall be deemed to be an agent of his appointor.
- 19.3 An alternate Director shall (subject to his giving to the Company an address at which notice may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a Shareholder and to attend and to vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all general meetings. Regulation 66 of Table A shall not apply.
- 19.4 The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by

retiring and being re-appointed at the same meeting. Regulation 67 of Table A shall not apply.

- 19.5 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present. The last sentence of each of Regulations 88 and 89 of Table A shall not apply.

20 OBSERVER RIGHTS

The Observer shall have the right to attend and be present at any Board meetings of the Company. The Observer may speak at such Board meetings but shall have no right to vote.

21 BORROWING POWERS

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part of such, and to issue debentures, debenture stocks and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

22 DISPUTES

In the event of disagreement as to the calculation of the Specified Price for the purposes of Article 8, or as to whether any dividend shall be due under the provisions of these Articles to the holders of any class of share capital in the Company, or as to the amount of such dividend, any such disagreement shall be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination by the President for the time being of the Institute of Chartered Accountants in England and Wales on application by any such party) whose decision shall be final and binding and the costs of such umpire shall be borne equally by the parties to the dispute or disagreement.

23 NOTICES

- 23.1 Every Director of the Company and every alternate Director shall, upon supplying the Company with an address for the giving of notices therefor, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate Director shall not invalidate the proceedings at the meeting convened by such notice.
- 23.2 A notice may be given (i) by the Company to any Shareholder or Director either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post or by telex or other means of visible communication to him or to his registered address or to the address supplied by him to the Company for the giving of notice to him or (ii) to the Company for the purpose of these Articles by like method at its registered office for the time being. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of forty-eight hours after the letter containing the same is posted. Where a notice is sent by telex or other means of visible communication, service of the notice shall be deemed to be effected forthwith.

24 INDEMNITY

Every Director or other officer of the Company shall 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 to it, 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 in connection with any application under Sections 144 and 727 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 to it. This Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.