

The Companies Acts 1985 to 1989
A Public Company Limited by Shares

ARTICLES OF
ASSOCIATION

OF

VERSALITE GROUP PLC



PRELIMINARY

1. The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No.805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby. Reference to any provision of the Act shall where the context so admits be construed as and include a reference to such provision as modified by any statute for the time being in force.

SHARES

2. The authorised share capital of the company is £ 100,000 divided into 100,000 ordinary shares of £1 each.
3. Shares which are comprised in the existing authorised but unissued share capital of the Company shall be under the control of the Directors who may (subject to Section 80 of the Act) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.
4. Subject to Article 3 hereof, the Directors are unconditionally authorised for the purposes of Section 80 of the Companies Act 1985, to allot shares up to the amount of the share capital created on incorporation of the Company at any time or times during the period of five years from the date of incorporation.
5. Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

LIEN ON PARTLY PAID SHARES

6. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) payable at a fixed time or called in respect of that share. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to any amount in respect of it.

SHARE TRANSFERS

7. The Directors may in their absolute discretion, and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share.

8. The instrument of transfer of a fully paid share shall be signed by or on behalf of the transferor and in the case of shares which are not fully paid up, the instrument of transfer shall be in addition be signed by or on behalf of the transferee.

DIRECTORS

9. Unless and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two nor more than five. The first Directors of the Company shall be the persons named in the statement delivered to the Registrar of Companies in accordance with the Act.
10. A person may be appointed a Director notwithstanding that he has attained the age of 70 years and no Director shall be liable to vacate office by reason only of his attaining of having attained that or any other age.
11. The office of a Director shall be vacated if:
- a. by notice in writing delivered to the Company at its Registered Office, or tendered at a meeting of the Directors, he resigns the office of Director;
 - b. he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - c. he is, or may be, suffering from mental disorder and either
 - i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, and application for admission under the Mental Health (Scotland) Act 1960, or
 - ii) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - d. he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director.

MANAGING DIRECTORS AND MANAGERS

12. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Manager for such period and on such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. His appointment, subject to the payment to him of such compensation or damages as may be payable to him by reason thereof, shall be automatically terminated if he ceases from any cause to be a Director.
13. A Managing Director or Manager shall receive such remuneration (whether by way of salary, commission or participation in profits or partly in one way and partly in another) as the Directors may determine.

PROCEEDINGS OF DIRECTORS

14. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall, when two Directors only are in office, be two, and shall, when more than two Directors are in office, be three.
15. "All or any of the members of the Board may participate in a meeting of the Board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating has assembled, or, if there is no such group, where the Chairman of the meeting then is.

MEETINGS

16. Every notice convening a General meeting shall comply with the provision of Sect. 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies.
17. Clause 41 in Table A shall not apply to the Company.

SECRETARY

18. The first Secretary of the Company shall be the person named in the statement delivered to the Registrar of Companies pursuant to the Act

GRATUITIES AND PENSIONS

19. Clause 87 in Table A shall not apply to the Company.

THE SEAL

20. The Company may have a Seal if it so wishes. If the Company has a Seal the Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by two Directors. The obligation under Clause 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a Seal.

INDEMNITY

21. (a) 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 any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted 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.

- (b) The Directors shall have power to purchase and maintain an insurance policy for any Director, officer or Auditor of the Company effecting cover against any such liability as is referred to in Section 310(1) of the Act.

21 Clause 118 in Table A shall not apply to the Company.