

C/D- 14.4.98



Company Number: 03395582

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
of
BLECKMANN DISTRIBUTION LIMITED

Adopted by Special Resolution
passed on 26 February 1998

PRELIMINARY

1. Subject as hereinafter provided, the regulations contained or incorporated in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985, as amended by The Companies (Tables A to F) (Amendment) Regulations 1985, ("Table A") shall apply to the Company.
2. These Articles and those regulations incorporated herein shall take effect subject to the requirements of the Companies Act 1985 ("the Act") and of every other act for the time being in force affecting the Company ("the Statutes").

SHARE CAPITAL

3. (a) Save with the prior written consent of the holder or holders for the time being of a majority of the Ordinary Shares of the Company for the time being in issue, no share of any description shall be issued by the directors.

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- (b) In accordance with Section 91(1) of the Act, Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

TRANSFER OF SHARES

4. The directors may in their absolute discretion, and without giving any reason, decline to register any transfer of any shares which are not fully paid. Regulation 24 of Table A shall not apply.

SHAREHOLDERS' RESOLUTIONS

5. A resolution in writing signed or approved by letter, telex or facsimile transmission by all the members of the Company who would be entitled to vote upon it if it had been duly proposed at a general meeting or a meeting of any class of members of the Company, or by their duly appointed attorneys, shall be as valid and effectual as if it had been passed at a general meeting or at such class meeting of the Company (as the case may be) duly convened and held. Any such resolution may consist of several documents in like form each signed by one or more of the members or their attorneys (or, in the case of a member which is a body corporate, by a director thereof or by a duly appointed representative). Regulation 53 of Table A shall not apply.
6. Any proxy appointed by a member of the Company in accordance with Section 372 of the Act shall be entitled to vote on a show of hands as well as on a poll, provided that no person present shall be entitled to more than one vote on a show of hands save as provided in Regulation 50 of Table A. Regulation 54 of Table A shall be deemed to be modified accordingly.

DIRECTORS

7. The holder or holders for the time being of a majority in nominal value of the

Ordinary Shares of the Company for the time being in issue may from time to time appoint any person or persons as a director or directors of the Company and may remove any or all of the directors for the time being (howsoever they may have been appointed). Any such appointment or removal shall be made in writing signed by the holder or holders for the time being of a majority of the Ordinary Shares of the Company for the time being in issue and, in the case of a body corporate holding any such shares, the signature of any one of its directors or its duly appointed representative shall suffice. Any such appointment or removal shall take effect on and from the time at which it is lodged at the office.

8. In addition to the circumstances set out in Regulation 81 of Table A the office of a director shall be vacated if he is removed from that office in accordance with Article 7.
9. The directors shall not be subject to retirement by rotation and Regulations 73 to 80 (inclusive) and the last sentence of Regulation 84 of Table A shall not apply.
10. No director shall vacate his office or be ineligible for re-appointment as a director, nor shall any person be ineligible for appointment as a director by reason only of his having attained any particular age nor shall special notice be required of any resolution appointing or approving the appointment of such a director or any notice be required to state the age of the person to whom such resolution relates.

ALTERNATE DIRECTORS

11. Any director (other than an alternate director) may appoint any other director or any other person willing to act to be an alternate director and may remove from office an alternate director so appointed by him provided that no alternate director shall be appointed without the prior written consent of the holder or holders for the time being of a majority of the Ordinary Shares of the Company for the time being in issue. Regulation 65 of Table A shall not apply.

12. Any such person appointed as an alternate director shall vacate his office as an alternate director:-
- 12.1 if and when the director by whom he has been appointed vacates office as a director;
- 12.2 if the director by whom he has been appointed removes him by written notice to the Company; or
- 12.3 in the event of any circumstances which, if he were a director, would cause him to vacate his office as such.
13. Regulation 67 of Table A shall not apply.

PROCEEDINGS OF DIRECTORS

14. For the purposes of determining whether a quorum exists for the transaction of the business of the directors, all the directors in telephonic communication with one another shall be counted in the quorum and any resolution of the directors including those in such communication shall be valid and effective as if passed at a meeting of the directors duly convened and held.
15. A director who is in any way directly or indirectly interested in any contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company shall declare the nature of his interest at a meeting of the directors in accordance with Section 317 of the Act. Subject to such disclosure, a director may vote as a director on any resolution concerning any matter in which he has, directly or indirectly, an interest or duty and, if he shall so vote, his vote shall be counted and he shall be reckoned in determining a quorum when any such resolution or matter is under consideration. Regulations 94 to 96 (inclusive) of Table A shall not apply.

16. Regulation 93 of Table A shall apply as if the word "signed" included "approved by letter, telex or facsimile transmission".

NOTICES

17. Proof that:-

17.1 an envelope containing a notice was properly addressed, prepaid and posted (by first class post, where available); or

17.2 a telex or facsimile transmission setting out the terms of the notice was properly despatched

shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 24 hours after the envelope containing it was so posted, or, in the case of telex or facsimile transmission, when so despatched. Regulation 115 of Table A shall not apply.

INDEMNITY

- 18.1 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 thereto, including 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 under Sections 144 or 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 thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

18.2 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.

18.3 Regulation 118 in Table A shall not apply to the Company.