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THE COMPANIES ACT 1985
(As amended by the Companies Act 1989)

Company Number : 3463634

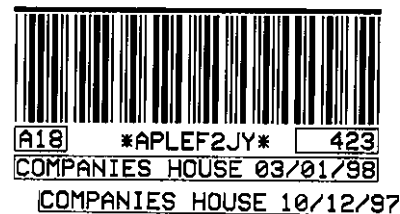
PRIVATE COMPANY LIMITED BY SHARES

Incorporated : 11th November 1997

MEMORANDUM AND ARTICLES OF ASSOCIATION

G. HUNT FILTRATION HOLDINGS LIMITED

The name of the Company was changed by written resolution dated ^{25th} ~~24th~~ November 1997 from Featuresurvey Limited to G. Hunt Filtration Holdings Limited



COMPANY LIMITED BY SHARES

Incorporated : 11th November 1997

MEMORANDUM OF ASSOCIATION OF

G. HUNT FILTRATION HOLDINGS LIMITED

1. The name of the company is 'G. Hunt Filtration Holdings Limited' (hereinafter called 'the Company').
2. The registered office of the Company is to be situate in England or Wales.
3.
 - (i) The objects for which the Company is established are to carry on business as a general commercial company and any trade or business whatsoever and any lawful purpose pursuant to the Companies Act 1985 (hereinafter called 'the Act') as amended, extended or applied by or under any other enactment or as re-enacted and without prejudice thereto but in furtherance thereof to carry on business as industrial textile manufacturers, manufacturers and processors of textiles or filtrations, dealers, factors, importers, exporters, buyers and sellers both wholesale and retail in textiles and merchandise of all descriptions
 - (ii) Without prejudice to the generality of the objects and the powers of the Company derived from Section 3A of the Act the Company has power to do all or any of the following things;
 - a) to carry on any other trade or business whatsoever which can in the opinion of the members or directors of the Company be conveniently or advantageously or profitably carried on in connection with or ancillary to any of the businesses of the Company or calculated directly or indirectly to enhance the value or render more profitable any of the Company's assets;
 - b) to assume the obligations or any of them arising from the formation of the Company and in particular but without limit to pay all costs, charges and expenses incurred or sustained in or about the promotion or establishment of the Company or which the directors may consider to be in the nature of preliminary expenses;

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- c) to undertake or acquire all or any part of the business, assets and liabilities of or any share in any company, partnership or person carrying on or proposing to carry on all or any of the objects for the time being of the Company, or to amalgamate, enter into partnership, share profits, co-operate, or engage in mutual assistance with any such company, partnership or person or for subsidising or otherwise assisting any such company, partnership or person and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage, charge and deal with any shares, debentures, debenture stock or securities however received, and to conduct and carry on, liquidate or wind up any such business;
- d) to apply for, subscribe, take, purchase or otherwise acquire, hold and deal with shares, debentures, options or other interests in or securities of any other company so as to benefit directly or indirectly the Company or enhance the value of its property, and to co-ordinate, finance, manage, supervise or control the business and operations of any company in which the Company may hold such interest;
- e) to acquire and take options over and deal with any property whatsoever, including but without limit any shares in the capital of the Company, and any rights or privileges of any kind over or in respect of any property, and without limit to purchase, take on lease, exchange, hire, or otherwise acquire any estate or interest in any real or personal property, and to deal with the same or any part thereof;
- f) to promote any other business for the purpose of acquiring the whole or any part of the business, property, undertaking or liabilities of the Company or of any business, property, undertaking or liabilities which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to subscribe for, purchase or otherwise acquire or place or guarantee the placing of or underwrite all or any part of the shares, debentures or securities of any such company as aforesaid;
- g) to sell, let (including, but without limitation, by way of assured shorthold tenancy), exchange, dispose of, turn to account, grant licences, options, rights or privileges in respect of, mortgage, charge or otherwise deal with all or any part of the business or property of whatever nature of the Company, and to deal in any manner as aforesaid with the same or any part thereof either

together or in portions for such consideration whether shares, debentures, options, cash or real or personal property of any other nature without limit as the members or the directors of the Company may think fit;

- h) to erect, build, manufacture, improve, manage, construct, repair, maintain, alter or develop any real or personal property;
- i) to invest and deal with any moneys in any manner, and to hold, alter, dispose of or otherwise without limit deal with any investments so made;
- j) to receive money on deposit or loan, and to borrow or raise money or credit as may seem expedient without limit and whether with or without any security or guarantee therefor, and to issue any debentures or debenture stock whether perpetual, irredeemable or otherwise;
- k) to issue or grant any mortgage, charge, standard security, lien or other security upon all or any part of the property or assets whether present or future and including but without limit the uncalled capital of the Company, and also by any such means to secure and guarantee the performance by the Company, any holding, subsidiary or associated company of the Company or any other person, firm or company of any obligation undertaken by the Company or any of them as the case may be and to stand security or guarantor for or otherwise support any obligation of any other person, firm or company whether by personal covenant, mortgage, charge, standard security or lien upon the whole or any part of the undertaking, property and assets of the Company whether present or future including but without limit its uncalled capital;
- l) to advance or lend money or give any credit to any person, firm or company as the directors or members may think fit, and to give financial assistance as statutorily permitted for the acquisition or redemption of any shares, debentures, option rights or other security of the Company;
- m) to draw, issue, accept, endorse, discount, negotiate, make or deal with as may seem expedient cheques, bills of exchange or lading, promissory notes, warrants, coupons, debentures, and other negotiable or transferable notes or instruments;
- n) to seek any permission, order, privilege, charter, concession, decree, right, or licence from any government department, national, local or other statutory authority or official body in any

part of the world where the Company does or may do business or other official sanctions for enabling the Company to pursue any of its objects for the time being or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and comply with the same, and to oppose or defend any proceedings or application which may seem directly or indirectly to advance or prejudice the Company's interests as the case may be;

- o) to seek in any part of the world and deal with, grant or obtain licences in respect of, manufacture under, operate, test, improve, or experiment on any invention, discovery, copyright, patent, brevet d'invention, licence, secret process, trade mark, service mark, design, registration, protection and concession as may seem expedient or beneficial, and to register, re-register, disclaim, alter, modify, use, and turn to account the same or any of them;
- p) to act as principal, nominee, agent (whether disclosed or undisclosed), broker, trustee, factor, contractor or sub-contractor in any part of the world;
- q) to pay, reward or remunerate anyone supplying goods or services to the Company by cash, goods, services or any securities of the Company;
- r) to give to any charitable, benevolent or public cause or object which may be for the benefit of the Company or any holding, subsidiary or associated company of the Company or any directors or employees thereof, and to provide or pay towards any pension, annuity, gratuity, insurance, superannuation or other allowance or benefit, and generally to provide advantages, facilities and services for any persons who are or have been directors of, employed by, or serving the Company or any holding, subsidiary or associated company of the Company or any predecessor thereof and to the members of the family, dependants, personal representatives or nominated beneficiaries of any such persons, and to set up, establish, maintain, provide, contribute towards and lend in favour of any incentive, profit-sharing, option, or savings related scheme for the benefit of the employees of the Company or any holding, subsidiary or associated company as aforesaid;
- s) to distribute among the members of the Company in specie or otherwise any property of the Company of whatever nature, including but without limit the shares, debentures or other securities of any other company taking over the whole or any part

of the undertaking, assets or liabilities of the Company, and to purchase or assist the purchase of or redeem the shares for the time being (including any redeemable shares) or reduce the capital of the Company in any manner permitted under Part V of the Act;

- t) to carry on any of the objects for the time being of the Company in any part of the world as principal or by or through agents, trustees, brokers, sub-contractors or otherwise and either alone or with any other person, firm or company;
- u) to do all things specified for the time being in the articles of association of the Company.

The objects in each preceding sub-clause shall not be in any way limited or restricted by reference to or inference from the terms of any other sub-clause herein except as may be expressly stated, or by the name, place or date of incorporation of the Company. Each sub-clause, object and power herein shall be a main object of the Company and not ancillary or subsidiary to any other sub-clause, object or power herein. The Company shall have as full a power to exercise all or any of the objects and powers in each sub-clause herein as if each sub-clause contained the objects of a separate company. Reference to any company herein shall be deemed to include any body whether incorporated or not and wherever in any part of the world set up, established or registered.

- 4. The liability of the members is limited.
- 5. The share capital of the Company is £13,950 divided into 13950 ordinary shares of £1 each.

**NAME AND ADDRESS OF
SUBSCRIBER**

**NUMBER OF SHARES TAKEN
BY THE SUBSCRIBER**

Jean Brown
International House
82-86 Deansgate
Manchester M3 2ER

One ordinary share of £1.00

Witness signature : Michael Robert Swinburne

Witness name : Michael Robert Swinburne

Witness address : International House 82-86 Deansgate Manchester M2 3ER
Dated 4th November 1997

THE COMPANIES ACT 1985
(As amended by the Companies Act 1989)

Company Number : 3463634

PRIVATE COMPANY LIMITED BY SHARES

Incorporated : 11th November 1997

ARTICLES OF ASSOCIATION OF

G. HUNT FILTRATION HOLDINGS LIMITED

PRELIMINARY

1. (i) The regulations contained 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 (hereinafter referred to as "Table A") subject to the additions exclusions and modifications hereinafter expressed shall constitute the Articles of Association of the Company.
- (ii) Any reference in these Articles to "the Act" shall mean the Companies Act 1985 as amended or extended by any other enactment.

ALLOTMENT OF SHARES

2. (i) Subject to the provisions hereinafter expressed, the Directors are authorised for the purposes of Section 80 of the Act to exercise the power of the Company to allot shares to the amount of the authorised but unissued share capital of the Company at the date hereof and the Directors may allot, grant options over or otherwise dispose of such shares to such persons, on such terms and in such manner as they think fit provided always that:
 - (a) save as provided in sub-paragraph (b) below, the authority hereby given to the Directors to exercise the power of the Company to allot shares shall expire five years after the date of incorporation of the Company;
 - (b) the Members in General meeting may by Ordinary Resolution:
 - (A) renew the said authority (whether or not it has been

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previously renewed) for a period not exceeding five years (unless the Company elects by elective resolution to modify the duration of authority pursuant to Section 80A of the Companies Act 1985), but such Resolution shall comply with the Act;

- (B) revoke or vary any such authority (or renewed authority);
- (c) notwithstanding the aforementioned provisions of subparagraphs (a) and (b) the Company may make an offer or agreement which would or might require shares to be allotted after such authority has expired and in pursuance of such an offer or agreement the Directors may allot shares notwithstanding that such authority or renewed authority has expired.

Any reference hereto to the allotment of shares shall include a reference to the grant of any right to subscribe for, or to convert any security into shares, but shall not include any reference to the allotment of shares pursuant to such a right.

- (ii) In accordance with Section 91 of the Act, Sections 89(1), and 90(1) to (6) of the Act are excluded from applying to the Company. Any shares for the time being unissued shall be offered to the Members in proportion as nearly as may be to the number of existing shares held by them respectively unless the Company shall by Special Resolution otherwise direct. Such offer shall be made by written notice specifying the number of shares offered and specifying a period (not less than fourteen days) within which the offer, if not accepted, will lapse and determine. After the expiration of that period, or on the receipt of any intimation in writing from the offeree that he declines to accept the shares so offered, the Directors may in accordance with the provisions hereto allot, grant options over or otherwise dispose of the same to such persons, on such terms and in such manner as they think most beneficial to the Company. The Directors may in like manner and subject as aforesaid, allot any such new or original shares which by reason of the proportion borne by them to the number of persons entitled to any such offer as aforesaid or by reason of any other difficulty in apportioning the same cannot in the view of the Directors effectually be offered in the manner aforesaid.

LIEN AND CALLS ON SHARES

- 3. (i) The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share.

The Company shall also have a first and paramount lien on every share (whether or not it is a fully paid share) standing registered in the name of any Member solely or registered in the names of two or more joint holders for all moneys presently payable by him or his estate to the Company. 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, if any, on a share shall extend to all dividends payable thereon.

- (ii) 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 clause 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such nonpayment".
- (iii) Regulation 8 of Table A shall not apply to the Company.

NOTICE OF GENERAL MEETINGS

- 4. (i) An Annual General Meeting and an Extraordinary General Meeting called for the passing of a Special Resolution or a Resolution appointing a person as a Director shall be called by at least twenty-one clear days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice but a General Meeting may be called by shorter notice if it is so agreed.
 - (a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and
 - (b) in the case of any other Meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.
- (ii) The notice shall specify the time and place of the Meeting and in the case of special business only the general nature of the special business to be transacted and in the case of an Annual General Meeting shall specify the Meeting as such.
- (iii) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all that is transacted at an Annual General Meeting with the exception of declaring a dividend the consideration of the accounts balance sheets and the reports of the Directors and Auditors and the appointment of and the fixing of the remuneration of the Auditors.

- (iv) Subject to the provisions of these Articles and to any restrictions imposed on any shares all notices of, and any other communications relating to any General Meetings of the Company or of separate General Meetings of the holders of any class of share capital of the Company, shall be given to all the Members, to all persons entitled, to a share in consequence of the death or bankruptcy of a Member, and to the Directors and Auditors of the Company for the time being.
- (v) Regulation 38 of Table A shall not apply to the Company.
- (vi) If and so long as the Company has only one Director who is also the sole Member of the Company any person becoming entitled to such Member's shares in the Company as Personal Representative may call an Extraordinary General Meeting and shall be treated as a Director of the Company until the next Annual General Meeting of the Company or earlier removal or retirement from such office.

PROCEEDINGS AT GENERAL MEETINGS

- 5. (i) No business shall be transacted at any Meeting unless a quorum is present at the time the Meeting proceeds to business. Subject to paragraph (ii) below two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation shall be a quorum.
- (ii) If and so long as the Company has only one Member, that Member present in person or by proxy or if that Member is a Corporation by a duly authorised representative shall be a quorum.
- (iii) If such a quorum is not present within half an hour from the time appointed for the Meeting the Meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine. If at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting such adjourned Meeting shall be dissolved.
- (iv) Regulations 40 and 41 of Table A shall not apply to the Company.
- 6. (i) The Company may have only one Member in accordance with the Companies (Single Member Private Limited Companies) Regulations 1992 subject to these Articles and in the event of there being only one Member of the Company :-
 - (a) there shall be recorded in the Register of Members that there is only one Member and, as may be the case, that the number

thereof is increased and the date on which such event occurs

- (b) with whom the Company enters into a contract, other than a contract in the ordinary course of business of the Company and that Member is the sole director, the Company shall ensure that the terms of the contract, unless it is in writing, are either set out in a written memorandum or recorded in the minutes of the first meeting of the directors next after making the contract
- (c) and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to Sections 303 and 391 of the Act.
- (d) any decision taken by a sole Member pursuant to paragraph 6 (c) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.
- (e) and that Member ceasing for whatever reason to hold all the shares issued for the time being in the capital of the Company the Company's Secretary shall register on proof of title thereto the person or persons next entitled to any such shares on application in writing thereby subject to stamping any instrument therefor as may be required by law, and in the absence or in default by the Company's Secretary such person or persons aforesaid may enter the name or names thereof in the register of Members
- (f) It shall not be necessary for a person, on becoming entitled to a share in consequence of the death, bankruptcy, insolvency or dissolution of the single Member, to produce evidence to the directors of such entitlement before being registered as the holder of the share or shares, and subject hereto regulations 30 and 31 of Table A are adopted.

NUMBER OF DIRECTORS

- 7. (i) Unless otherwise determined by Ordinary Resolution in General Meeting of the Company the number of Directors (other than Alternate Directors) shall not be subject to any maximum and the minimum number of Directors shall be one. If and so long as the minimum number of Directors shall be one a sole Director may exercise all the authorities and powers which are vested in the Directors by Table A and by these Articles. Regulation 89 of Table A shall be modified accordingly.
- (ii) Regulation 64 of Table A shall not apply to the Company.

APPOINTMENT OF DIRECTORS

8. The first Directors of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to Section 10 of the Act.
9. No person shall be appointed a Director at any General Meeting unless:
 - (i) he is recommended by the Directors; or
 - (ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting notice executed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment together with notice executed by that person of his willingness to be appointed.
10. Subject to Article 9 above the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.
11. The Directors may appoint a person who is willing to act, to be a Director either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.
12. The Directors shall not be required to retire by rotation and Regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.

PROCEEDINGS OF DIRECTORS AND DIRECTORS GRATUITIES AND PENSIONS

13. Notice of a meeting of the Directors shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose, or by any other means authorised in writing by the Director concerned. A Director absent or intending to be absent from the United Kingdom may request the Directors that notices of meetings of the Directors shall during his absence be sent in writing to him at an address or to a facsimile or telex number given by him to the Company for this purpose, but if no request

is made to the Directors it shall not be necessary to give notice of a meeting of the Directors to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting either retrospectively or prospectively. Regulation 88 of Table A shall be modified accordingly.

14. All or any of the members of the board or any committee of the board may participate in a meeting of the board or that committee 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 of the group of those participating is assembled or, if there is no such group where the Chairman of the meeting then is.
15.
 - (i) A Director who is in any way either directly or indirectly interested (whether through persons connected with him as defined in Section 346 of the Act or otherwise) in any contract, transaction or arrangement (whether or not constituting a contract and whether actual or proposed) with the Company or in which the Company is otherwise interested, 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 shall be entitled to vote in respect of any such contract, transaction or arrangement (whether actual or proposed) in which he is interested and he shall be counted in reckoning whether a quorum is present.
 - (ii) Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.
16.
 - (i) The powers of the Company set out in Clause 3(ii)(r) of the Memorandum of Association may be exercised by the Directors of the Company who shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
 - (ii) Regulation 87 of Table A shall not apply to the Company.

THE SEAL

17.
 - (i) In accordance with Section 36A(3) of the Act the Company need not have a seal. If the Company has a seal it shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. 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 a Director and by the Secretary or by a second Director, Regulation 101 of Table A shall not apply to the Company.

- (ii) The requirements set out in Regulation 6 of Table A governing the sealing of share certificates shall only apply if the Company has a seal.
- (iii) The Company may in accordance with section 39 of the Act have for use in any territory district or place elsewhere than in the United Kingdom an official seal. Such seal shall only be used by the authority of the Directors or a committee of Directors authorised by the Directors.

SECRETARY

- 18. The first Secretary or Joint-Secretaries of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to section 10 of the Act.

TRANSFER OF SHARES.

- 19. (i) Any person (hereinafter called "the proposing transferor") proposing to transfer any shares shall give notice in writing (hereinafter called "the transfer notice") to the Company that he desires to transfer the same and specifying the price per share which, in his opinion, constitutes the fair value thereof. The transfer notice shall constitute the Company the agent of the proposing transferor for the sale of all (but not some of) the shares comprised in the transfer notice to any Member or Members willing to purchase the same (hereinafter called "the purchasing Member") at the price specified therein or at the fair value certified in accordance with paragraph (iii) below (whichever shall be the lower). A transfer notice shall not be revocable except with the sanction of the Directors.
- (ii) The shares comprised in any transfer notice shall be offered to the Members (other than the proposing transferor) as nearly as may be in proportion to the number of shares held by them respectively. Such offer shall be made by notice in writing, (hereinafter called "the offer notice") within seven days after the receipt by the Company of the transfer notice. The offer notice shall state the price per share specified in the transfer notice and shall limit the time in which the offer may be accepted, not being less than twenty-one days nor more than forty-two days after the date of the offer notice, provided that if a certificate of fair value is requested under paragraph (iii) below the offer shall remain

open for acceptance for a period of fourteen days after the date on which notice of the fair value, certified in accordance with that paragraph, shall have been given by the Company to the Members or until the expiry of the period specified in the offer notice whichever is the later. For the purpose of this Article, an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company. The offer notice shall further invite each Member to state in his reply the number of additional shares (if any) in excess of his proportion which he desires to purchase and if all the Members do not accept the offer in respect of their respective proportions in full, the shares not so accepted shall be used to satisfy the claims for additional shares, as nearly as may be, in proportion to the number of shares already held by them respectively, provided that no Member shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable without fractions of being offered to the Members in proportion to their existing holdings, the same shall be offered to the Members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the Directors may think fit.

- (iii) Any Member may, not later than eight days after the date of the offer notice, serve on the Company a notice in writing requesting that the Auditor for the time being of the Company (or at the discretion of the Auditor, a person nominated by the President for the time being of the Institute of Chartered Accountants in the Country of the situation of its Registered Office) certify in writing the sum which in his opinion represents the fair value of the shares comprised in the transfer notice as at the date of the transfer notice and for the purpose of this Article reference to the Auditor shall include any person so nominated. Upon receipt of such notice the Company shall instruct the Auditor to certify as aforesaid and the costs of such valuation shall be apportioned among the proposing transferor and the purchasing members or borne by any one or more of them as the Auditor in his absolute discretion shall decide. In certifying the fair value as aforesaid the Auditor shall be considered to be acting as an expert and not as an arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Upon receipt of the certificate of the Auditor, the Company shall by notice in writing inform all Members of the fair value of each share and of the price per share (being the lower of the price specified in the transfer notice and the fair value of each share) at which the shares comprised in the transfer notice are offered for sale. For the purpose of this Article, the fair value of each share comprised in the transfer notice shall be its value as a rateable proportion of the total value of all the issued shares of the Company and shall not be discounted or enhanced by reference to the number of shares referred to in the transfer notice.

- (iv) If purchasing Members shall be found for all the shares comprised in the transfer notice within the appropriate period specified in paragraph (ii) above, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing (hereinafter called "the sale notice") to the proposing transferor specifying the purchasing Members and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasing Members.
- (v) If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such shares in favour of the purchasing Member. The receipt of the Company for the purchase money shall be a good discharge to the purchasing Members. The Company shall pay the purchase money into a separate bank account.
- (vi) If the Company shall not give a sale notice to the proposing transferor within the time specified in paragraph (iv) above, he shall, during the period of thirty days next following the expiry of the time so specified, be at liberty to transfer all or any of the shares comprised in the transfer notice to any person or persons but in that event the Directors may, in their absolute discretion, and without assigning any reason therefor, decline to register any such transfer and Regulation 24 in Table A shall, for these purposes, be modified accordingly.
- (vii) In the application of Regulations 29 to 31 in Table A to the Company:
 - (a) any person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall give a transfer notice before he elects in respect of any share to be registered himself or to execute a transfer;
 - (b) if a person so becoming entitled shall not have given a transfer notice in respect of any share within six months of the death or bankruptcy, the Directors may at any time thereafter upon resolution passed by them, give notice requiring such person within thirty days of such notice to give a transfer notice in respect of all the shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such thirty days be deemed to have given a transfer notice pursuant to paragraph (i) of this Article relating to those shares in respect of which he has still not done so;
 - (c) where a transfer notice is given or deemed to be given under this paragraph (vii) and no price per share is specified therein the

transfer notice shall be deemed to specify the sum which shall, on the application of the Directors, be certified in writing by the Auditors in accordance with paragraph (iii) of this Article as the fair value thereof.

- (viii) (a) Notwithstanding the above paragraphs of this Article 19 or any other provisions of these Articles the directors shall, subject to Regulation 24 in Table A register the transfer or, as the case may be, transmission of any shares whether or not for valuable consideration between any Member of the Company ("the Intending Transferor") and any Member of the family of the Intending Transferor
- (b) The words "a Member of the family of the Intending Transferor" shall mean the husband, wife, widow, widower, child and remoter issue (including a child by adoption) parent (including adoptive parent), brother and sister (whether of the full or half blood and including a brother or sister related by adoption) and child and remoter issue of any such brother or sister (including a child by adoption), of the Intending Transferor

DISTRIBUTIONS

- 20. Any dividends resolved to be recommended, declared or paid, any sum resolved to be capitalised and the assets of the Company to be divided on a winding up shall be paid or distributed, subject to the articles and the rights attaching to the shares, in proportion to the nominal amount of the shares (whether or not fully paid) held by the members entitled thereto Provided always that if any share is issued on terms that it shall rank for dividend as from a particular date, that share shall rank for a dividend accordingly, and Regulation 104 of Table A is not adopted.

DISQUALIFICATION OF DIRECTORS

- 21. The office of Director shall be vacated in the if in the reasonable and proper opinion of the Board of Directors a Director becomes incapable by reason of illness or injury of managing and administering his property and affairs and Regulation 81 of Table A shall be modified accordingly.

BORROWING POWERS

22. The Directors may exercise all the powers of the Company to borrow money, whether in excess of the nominal amount of the share capital of the Company for the time being issued or not, and to mortgage or charge its undertaking, debenture stock or any securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

CASTING VOTE

23. The Chairman shall not, in the event of an equality of votes at any General Meeting of the Company, or at any meeting of the Directors or of a Committee of Directors, have a second or casting vote. Regulation 50 in Table A shall not apply to the Company, and Regulation 88 to 72 in Table A shall be modified accordingly.

INDEMNITY

24. (i) Every Director, or other officer or Auditor 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 judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 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 insofar as its provisions are not avoided by Section 310 of the Act.
- (ii) The Directors shall have power to purchase and maintain for any Director, officer or Auditor of the Company, insurance against any such liability as is referred to in Section 310(1) of the Act.
- (iii) Regulation 118 in Table A shall not apply to the Company.

DEREGULATION

25. The Company may
- (i) subject to authorisation therefor by elective resolution:

- (a) dispense with the holding of annual general meetings
- (b) dispense with the laying of accounts and reports before the Company in general meeting
- (c) dispense with the annual obligation to appoint auditors
- (d) reduce to 90% the requisite majority for agreeing to calling any meeting of the Members by shorter notice than that mentioned in sections 369(4) and 378(3) of the Act, and
- (e) authorise the directors to allot shares free from any limit in point of time but otherwise subject as hereinbefore mentioned
- (ii) prepare publish lay and deliver its accounts without audit but otherwise in accordance with the requirements of the Act so as to give a true and fair view of the financial position of the Company in respect of any accounting reference period wherein the turnover does not exceed £90,000, and shall procure an independent accounting report to be made in the event of its turnover as aforesaid exceeding £90,000 but not exceeding £350,000, and otherwise shall procure its accounts to be audited in accordance with the Act.

ASSOCIATE DIRECTORS

26. (i) The Directors may at any time and from time to time appoint any employee of the Company to the position of Associate Director.
- (ii) An Associate Director shall advise and assist the Directors but shall not attend Board Meetings except at the invitation of the Directors, and when present at the Board Meetings he shall not be entitled to vote, nor be counted in the quorum, but subject as aforesaid he shall as Associate Director have such powers, authorities and duties as the Directors may in the particular case from time to time determine.
- (iii) An Associate Director shall not be deemed a member of the Board, nor any committee thereof, nor shall he be a Director for any of the purposes of these Articles of Association or (so far as provision may lawfully be made in this behalf) for any of the purposes of the Companies Act 1985.
- (iv) Without prejudice to any rights or claims the Associate Director may have under any contract with the Company, any appointment as an Associate Director may be terminated by the Directors at any time and shall ipso facto terminate if the Associate Director shall from any cause cease to be an employee of the Company.

- (v) An Associate Director may receive such remuneration (if any) in addition to the remuneration received as an employee of the Company as the Directors shall from time to time determine.

ACCOUNTS

27. (i) Without prejudice to any right conferred by statute or authorised by the Directors or by ordinary resolution of the Company any Member shall have the right to inspect any accounting records or other book or document of the Company
- (ii) Regulation 109 in Table A shall not apply to the Company

NAME AND ADDRESS OF SUBSCRIBER

Jean Brown
International House
82-86 Deansgate
Manchester M3 2ER

Witness signature	:	Michael Robert Swinburne
Witness name	:	Michael Robert Swinburne
Witness address	:	International House 82-86 Deansgate Manchester M2 3ER

Dated 4th November 1997