

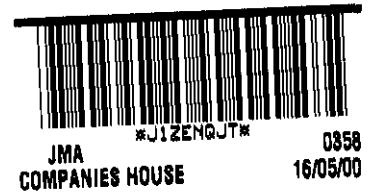
THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

ABL GROUP LIMITED ("COMPANY")



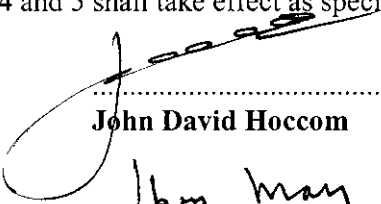
In accordance with the articles of association of the Company and regulation 53 of Table A (as defined in those articles), we being all the members of the Company who, at the date of these Written Resolutions are entitled to attend and vote at a general meeting of the Company, **hereby resolve** that:

1. That the authorised share capital of the Company be altered by:
 - (a) the re-designation of each of the 34,720 "A" Ordinary Shares of £1 each registered in the name of John David Hoccom into 1 Ordinary Share of £1, such shares to have the respective rights set out in the Articles of Association of the Company proposed to be adopted pursuant to Resolution 5 below;
 - (b) the re-designation of each of the 600 "B" Ordinary Shares of £1 each registered in the name of Stephen Richardson into 1 Ordinary Share of £1, such shares to have the respective rights set out in the Articles of Association of the Company proposed to be adopted pursuant to Resolution 5 below.
2. That the authorised share capital of the Company be increased from £35,320 to £35,359.25 by the creation of 3,925 Preferred Ordinary Shares of £0.01 each, each having the respective rights set out in the Articles of Association proposed to be adopted pursuant to Resolution 5 below.
3. That the directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 and in substitution for such authority previously conferred, to allot relevant securities (as defined in that section) up to a maximum aggregate nominal amount of £35,359.25 provided that this authority will (until renewed, varied or revoked by the Company in general meeting) expire five years from the date on which this Resolution 3 is passed.

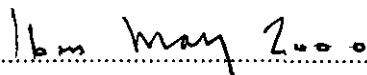
4. That by virtue of section 95(1) of the Companies Act 1985, section 89(1) shall not apply to the allotment of shares pursuant to the authority conferred by Resolution (3) above.
5. That the Articles of Association contained in the printed document annexed to these Written Resolutions be and the same are approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

Written Resolution 1, 2 and 3 shall take effect as ordinary resolutions of the Company and Written Resolutions 4 and 5 shall take effect as special resolutions of the Company.

Signature:


John David Hoccom

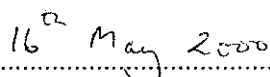
Dated:


16th May 2000

Signature:


Stephen Richardson

Dated:


16th May 2000



Company Number: 3603229

ARTICLES OF ASSOCIATION

THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

OF

ABL GROUP LIMITED

(Adopted by Special Resolution passed on 16th May 2000)

TABLE A

1. The Regulations in Table A scheduled to the Companies (Tables A to F) Regulations 1985, as amended at the date of the adoption of these Articles, shall, except where they are excluded or varied by or inconsistent with these Articles, apply to the Company.

DEFINITIONS AND INTERPRETATION

2. In these Articles the following words and expressions shall (except where the context otherwise requires) have the following meanings:

"Agreed Disposal Price" means £191,900;

"Aggregate Net Profit" means the aggregate of the net profit (excluding any extraordinary items and goodwill write-offs in the period) of the Company after taxation for the four accounting periods of the Company ending 31 March 2003;

"Auditors" the auditors from time to time of the Company;

"Bank" the Royal Bank of Scotland Plc;

"Bank Debt" All indebtedness under the term loan entered into between the Company and the Bank on 10 October 1995 and all indebtedness under the term loan entered into on 16 May 2000 between the Company and the Bank ;

"Deferred Share" a deferred share of 1p each of the Company which have converted into such shares pursuant to Article 6(5) which have the rights and which are subject to the restrictions set out in Article 6(6);

"Disposal Assets" means the Amada Arcade 210 sheet metal machine, Amada Press Brake sheet metal machine and the Amada Pega 358 sheet metal machine;

"Equity Shares" the Preferred Ordinary Shares and the Ordinary Shares of the Company

"First Trigger Date" means 1 April 2001;

"Fourth Trigger Date" means the date seven days after the Auditor's report on the Accounts for the accounting period ended 31 March 2003 has been signed by the Auditors;

"Second Trigger Date" means 1 April 2002;

"Third Trigger Date" means 1 April 2003.

SHARES

3. The authorised share capital of the Company at the date of the adoption of these Articles is 35,359.25 divided into 35,320 Ordinary Shares of £1 each and 3,925 Preferred Ordinary Shares of 1p each, .
4.
 - (1) The Directors are hereby authorised at any time before 31 May 2000 to allot to West Register (Investments) Limited pursuant to the terms of the subscription deed proposed to be entered into between the Company, its shareholders and West Register (Investments) Limited (the "Subscription Deed") 3,925 Preferred Ordinary Shares of 1p each in the capital of the Company (having an aggregate nominal value of £39.25) and so that Section 89(1) of the Companies Act 1985 shall not apply to any such allotment.

- (2) Subject to the provisions of paragraph (1) above, the Directors shall not at any time exercise any power of the Company to allot relevant securities (within the meaning of Section 80(2) of the Companies Act 1985) other than in accordance with the terms of the Subscription Deed referred to in paragraph (1) above.

SHARE RIGHTS

5. Save as expressly set out in these Articles, the Preferred Ordinary Shares and the Ordinary Shares shall rank *pari passu* in all respects.
6. The rights attaching to the Preferred Ordinary Shares are as follows:-

Dividends

- (1) Each Preferred Ordinary Share shall confer on the holder thereof the right to receive, out of the profits of the Company available for distribution:-
- (i) in priority to the holders of any other class of shares, a cumulative participating preferential dividend (the "Participating Dividend") of such sum (if any) as, shall equal 3 per cent of the Company's Net Profit for any relevant financial year in which the Bank Debt is in excess of £510,000 or as shall equal 1.5 per cent of the Company's Net Profit for any financial year of the Company after the financial year in which the Bank Debt is reduced to below £510,000 divided by the number of Preferred Ordinary Shares in issue. The Participating Dividend shall be paid on the expiry of fourteen days after the audit report on the accounts of the Company for the relevant financial year has been signed by the Company's auditors; and
 - (ii) a further dividend (the "Further Dividend") in respect of each financial year of an amount equal to:
 - (a) the aggregate of:-
 - (aa) the total dividends paid during the relevant financial year or proposed during such financial year to be paid on Ordinary Shares in issue; and
 - (bb) emoluments (including amounts referred to in paragraph 1(4) of Schedule 6 to the Companies Act 1985 as amended by the

Companies Act 1989) in excess of an aggregate of £250,000 (as increased annually in line with the Retail Prices Index) (or such other sum as may be agreed in writing from time to time between the Preferred Ordinary shareholder(s) and the Ordinary shareholder(s)) paid or payable in respect of the relevant financial year to any person or persons who was or were, or would be, at the time of such payments (a) interested in shares in the Company and (b) a director or former director of the Company or any person connected with any such director or former director ("Excess Remuneration");

- (b) divided by the number of Ordinary Shares in issue at the end of the relevant financial year;

The Further Dividend (if any) shall be paid on the due date for payment of the Participating Dividend in respect of the relevant financial year.

- (2) For the purposes of paragraph 5(1)(ii) above, "Net Profit" means the consolidated profit before taxation of the Company and its subsidiary undertakings]calculated on the historical cost basis and shown in the audited consolidated profit and loss account of the Company and its subsidiary undertakings for the relevant financial year but adjusted to:-
 - (i) disregard any provision for dividends or other distributions, transfers to reserves, charges to goodwill, extraordinary items; and
 - (ii) add back the amount of any Excess Remuneration (as referred to and ascertained in accordance with paragraph 5(1)(iii)(a) above).

Capital

- (3) Each Preferred Ordinary Share shall confer on the holder thereof the right on a winding up or other return of capital to receive in the following order of priority:-
 - (i) repayment in full of the Capital paid up on such Preferred Ordinary Share; and

- (ii) payment of a sum equal to the aggregate of any arrears or accruals of the Participating Dividend and the Further Dividend payable on such Preferred Ordinary Share, calculated down to the date of such repayment of capital.

Class Consents

- (4) Without prejudice to any provisions of the Act as regards the modification of the rights attached to classes of shares, the prior written consent of the holder(s) of all the Preferred Ordinary Shares shall be required in relation to any proposal to:-
 - (i) create or issue any share or loan capital or issue any rights or securities convertible into shares or loan capital or grant or agree to grant any option over shares of the Company;
 - (ii) vary or reorganise the share or loan capital of the Company or modify the rights attaching to any class of the existing shares or loan capital;
 - (iii) make any repayment of its share or loan capital (other than in accordance with its terms of issue) or reduce any uncalled liability in respect of its share capital or purchase its own shares;
 - (iv) admit any person whether by subscription or transfer as a member of the Company;
 - (v) make any alteration to the Memorandum and Articles of Association of the Company;
 - (vi) propose any resolution to place the Company in voluntary liquidation, administration or receivership or relating to a composition with the Company's creditors generally;
 - (vii) subscribe for or otherwise acquire any interest in any other company or other body corporate or any other business;
 - (viii) sell or dispose of the whole or a substantial part of the undertaking or the assets of the Company or of any subsidiary of the Company;
 - (ix) (other than the disposal of the Disposal Assets for at least the Agreed Disposal Price **PROVIDED THAT** out of the proceeds of such disposal any

outstanding hire purchase commitments in respect of the Disposal Assets will be discharged) dispose of any assets of the Company other than in the ordinary course of business;

- (x) amalgamate or merge the Company with any other company or concern;
- (xi) provide any credit (other than normal trade credit) or make a loan or advance to any person;
- (xii) give any guarantee or indemnity (other than guarantees or warranties relating to products manufactured or services provided by the Company which are given in the ordinary course of the Company's business);;
- (xiii) enter into any transaction or dealing of an unusual or long term nature or otherwise than on normal commercial terms;
- (xiv) commence any new type of business not being ancillary or incidental to the existing business of the Company or cease to carry on any such new type of business or existing business;
- (xv) enter into any joint venture, partnership or consortium agreement or arrangement;
- (xvi) (other than as provided for in any annual budget of the Company approved in writing by the holders of all of the Preferred Ordinary Shares) create any security, charge, lien or similar interest over any of its assets and undertakings;
- (xvii) vary the remuneration and benefits given to directors of the Company (or any person(s) connected with any of them) (if the effect of such variation would result in the aggregate remuneration and benefits given to such persons exceeding £250,000) save for annual increases in their basic rate of remuneration not exceeding the increase in the Retail Prices Index since the date such remuneration was last fixed or reviewed (or such other appropriate index as may from time to time be substituted for such Index);
- (xviii) *pay any dividend to the holders of Ordinary Shares except where the Company will, after the payment of such dividend and any dividends due to*

the holders of Preferred Ordinary Shares at such time, have remaining profits available for distribution of not less than £500,000.

(xvix) change its accounting reference date.

Conversion

(5)

- (i) Subject to the provisions of Article 6(5)(viii), in the event of a reduction of the Bank Debt (other than by reason of a partial or complete refinancing of the Company or by scheduled repayments) prior to 31 December 2001 by an amount in excess of £100,000 but equal to or less than £150,000, on or immediately after the Second Trigger Date there shall be converted (automatically and without further notice or resolution) such number of Preferred Ordinary Shares into Deferred Shares on the basis of one Deferred Share for every one Preferred Ordinary Share so converted as shall reduce the number of Preferred Ordinary Shares in issue such that immediately following such conversion, the number of Preferred Ordinary Shares in issue as a percentage of the total number of Equity Shares in issue immediately following the conversion shall be reduced by one per cent.

Any fraction of a Deferred Share resulting from the operation of this Article shall be rounded up or down to the nearest full number (with the fraction one-half being rounded up).

- (ii) Subject to the provisions of Article 6(5)(viii), in the event of a reduction of the Bank Debt (other than by reason of a partial or complete refinancing of the Company or by scheduled repayments) prior to 31 December 2001 by an amount in excess of £150,000 but less than £200,001, on or immediately after the Second Trigger Date there shall be converted (automatically and without further notice or resolution) such number of Preferred Ordinary Shares into Deferred Shares on the basis of one Deferred Share for every one Preferred Ordinary Share so converted as shall reduce the number of Preferred Ordinary Shares in issue such that immediately following the conversion, the number of Preferred Ordinary Shares in issue as a percentage

of the total number of Equity Shares in issue immediately following the conversion shall be reduced by one and one-half per cent.

Any fraction of a Deferred Shares resulting from the operation of this Article shall be rounded up or down to the nearest full number (with the fraction one-half being rounded up).

- (iii) Subject to the provisions of Article 6(5)(viii), in the event of the reduction of the Bank Debt (other than by reason of a partial or complete refinancing of the Company or by scheduled repayments) prior to 31 December 2001 by an amount in excess of £200,000, on or immediately after the Second Trigger Date there shall be converted (automatically and without further notice or resolution) such number of Preferred Ordinary Shares into Deferred Shares on the basis of one Deferred Share for every one Preferred Ordinary Share so converted as shall reduce the number of Preferred Ordinary Shares in issue such that immediately following the conversion, the number of Preferred Ordinary Shares in issue as a percentage of the total number of Equity Shares in issue immediately following the conversion shall be reduced by two per cent.

Any fraction of a Deferred Share resulting from the operation of this Article shall be rounded up or down to the nearest whole number (with the fraction one-half being rounded up).

- (iv) Subject to the provisions of Article 6(5)(viii), in the event of a reduction of the Bank Debt (other by reason of a partial or complete refinancing of the Company or by scheduled repayments) prior to 31 December 2000 by an amount in excess of £500,000, on or immediately after the First Trigger Date there shall be converted (automatically and without further notice or resolution) such number of Preferred Ordinary Shares into Deferred Shares on the basis of one Deferred Share for every one Preferred Ordinary Share so converted as to reduce the number of Preferred Ordinary Shares in issue such that immediately following the conversion, the number of Preferred Ordinary Shares in issue as a percentage of the total number of Equity Shares in issue immediately following the conversion shall be reduced to two and one-half per cent.

Any fraction of a Deferred Share resulting from the operation of this Article shall be rounded up or down to the nearest whole number (with the fraction one-half being rounded up).

- (v) In the event of the Bank Debt being repaid in full (other than by reason of a refinancing of the Company) on or prior to 31 March 2001, on or immediately after the First Trigger Date there shall be converted (automatically and without further notice or resolution) such number of Preferred Ordinary Shares into Deferred Shares on the basis of one Deferred Share for every one Preferred Ordinary Share so converted as shall reduce the number of Preferred Ordinary Shares in issue such that immediately following the conversion, the number of Preferred Ordinary Shares in issue as a percentage of the total number of Equity Shares in issue immediately following the conversion shall be reduced to two and one-half per cent.

Any fraction of a Deferred Share resulting from the operation of this Article shall be rounded up or down to the nearest whole number (with the fraction one-half being rounded up).

- (vi) In the event of the Bank Debt being repaid in full (other than by reason of a refinancing of the Company) after 31 March 2001 but prior to 30 September 2002, on or immediately after the Third Trigger Date there shall be converted (automatically and without further notice or resolution) such number of Preferred Ordinary Shares into Deferred Shares on the basis of one Deferred Share for every one Preferred Ordinary Share so converted as shall reduce the number of Preferred Ordinary Shares in issue such that immediately following the conversion, the number of Preferred Ordinary Shares in issue as a percentage of the total number of Equity Shares in issue immediately following the conversion shall be reduced to five per cent.

Any fraction of a Deferred Share resulting from the operation of this Article shall be rounded up or down to the nearest whole number (with the fraction one-half being rounded up).

- (vii) Subject to the provisions of Article 6(5) (viii), on or immediately after the Fourth Trigger Date there shall be converted (automatically and without further notice or resolution) such number of Preferred Ordinary Shares into

Deferred Shares on the basis of one Deferred Share for every one Preferred Ordinary Share so converted as shall reduce the number of Preferred Ordinary Shares in issue such that immediately following the conversion, the number of Preferred Ordinary Shares in issue as a percentage of the Equity Shares in issue immediately following the conversion under this Article by the lower of "A" per cent or such percentage as would reduce the number of Preferred Ordinary Shares in issue as a percentage of the Equity Shares to two and one half per cent, where:

$$A = 7.5 \times C\% \text{ or}$$

$$C = (\text{if no conversion has occurred pursuant to either Article 6(5)(v) or Article 6(5)(vi)}) \frac{D}{£750,000} \times \frac{100}{1} \text{ or (if a conversion shall have occurred}$$

$$\text{pursuant to either Article 6(5)(v) or Article 6(5)(vi)}) \frac{D}{£250,000} \times \frac{100}{1}$$

D = (if no conversion has occurred pursuant to either Article 6(5)(v) or Article 6(5)(vi)) the amount of the Aggregate Net Profit in excess of £500,000 (subject to a maximum of £750,000) or (if a conversion shall have occurred pursuant to either Article 6(5)(v) or Article 6(5)(vi)) the amount of the Aggregate Net Profit in excess of £1,000,000 (subject to a maximum of £250,000)

any fraction of a Deferred Share resulting from the operation of this Article shall be rounded up or down to the nearest whole number (with the fraction one-half being rounded up)

(viii)

- (a) no provision of this Article 6(5) shall have the effect of reducing the number of Preferred Ordinary Shares as a percentage of the Equity Shares below 2.5 per cent; and
- (b) none of the provisions of Articles 6(5)(i), 6(5)(ii), 6(5)(iii) and 6(5)(iv) shall be effective if a conversion shall have occurred pursuant to any of the other Articles listed in this Article 6(5)(ix)(b).

Deferred Shares

(6)

- (i) The Deferred Shares:
 - (a) do not entitle their holders to receive any dividend or other distributions;
 - (b) do not entitle their holders to receive notice of or to attend or vote at any general meeting of the Company;
 - (c) entitle their holders on a return of assets on a liquidation, reduction of capital or otherwise only to the repayment of the amount paid up or credited as paid up on the Deferred Shares after payment of (1) the Company's liabilities, (2) all amounts owed by the Company in respect of the Preferred Ordinary Shares, (3) all amounts owed by the Company in respect of the Ordinary Shares and the further payment of £1,000,000 on each Preferred Ordinary Share and on each Ordinary Share;
 - (c) do not entitle their holders to any further participation in the capital of the Company.
- (ii) The Company has authority at any time:
 - (a) to appoint a person on behalf of any holder of Deferred Shares to enter into an agreement to transfer and to execute a transfer of the Deferred Shares for a consideration not exceeding 1p for each holding of Deferred Shares, to a person appointed by the Directors to be the custodian of those shares;
 - (b) to cancel and/or purchase the Deferred Shares (under the provisions of the Companies Act) without making any payment to or obtaining the sanction of the holders; and
 - (c) pending any transfer or cancellation or purchase of Deferred Shares to retain the certificate for those shares;
- (iii) The Company may at its option at any time redeem all or any of the holding of Deferred Shares then in issue at a price of at least 1p for each holding of the Deferred Shares to be redeemed on giving to the holders at least seven day's previous notice in

writing of its intention so to do, fixing a time and place for the redemption, and at that time and place those holders shall be bound to surrender to the Company the certificates for their Deferred Shares to be cancelled and the Company shall pay the redemption monies to those holders.

TRANSFER OF SHARES

7.

- (1) Any share may at any time be transferred to any other member of the Company save that Ordinary Shares may only be transferred pursuant to this paragraph (1) with the prior written consent of the holder(s) of Preferred Ordinary Shares in circumstances where, as a result of such transfer, the transferee member, together with any person(s) acting in concert with him, will hold shares carrying more than 50 per cent. of the voting rights exercisable at a general meeting of the Company.
- (2) Any share held by a company may at any time be transferred to any other company which is its subsidiary or its holding company or a subsidiary of its holding company ("an associated transferee") provided that the associated transferee gives an undertaking to the Company that in the event of its ceasing to be an associated transferee it will before it so ceases give notice of such event to the Company and transfer such share together with any other shares then held by it to a company which is an associated transferee or give a Transfer Notice (as defined in paragraph (3)(A) below). The Directors shall be entitled to serve a notice on any member who fails to comply with its obligations under this paragraph and such notice shall take effect as provided in paragraph (4) below.
- (3) Subject to the provisions of paragraphs (1) and (2) above, no transfer of a share shall be permitted except in accordance with the following provisions and no member shall transfer any share to any person unless and until the rights of pre-emption contained in this Article shall have been exhausted. For the purposes of this Article:-
 - (i) "transfer" includes any form of disposal and the creation of any right or interest in favour of any person other than the holder; and
 - (ii) "share" includes any interest (whether legal or equitable) in any share or the right to the allotment of any share.

- (A) A member or other person entitled and proposing to transfer any share(s) ("the Selling Member") shall give notice in writing ("the Transfer Notice") to the Company that he desires to transfer the same accompanied by the relevant share certificate. Such notice shall constitute the Company as his agent for the transfer of the share(s) in the terms of this Article at the Selling Price (as defined in sub-paragraph (B)). The Selling Member may by notice in writing given to the Company within 7 days after communication to him of the fair value (referred to in sub-paragraph (B)) withdraw the Transfer Notice. Save as aforesaid a Transfer Notice once given shall not be capable of being withdrawn.
- (B) For the purposes of this Article the expression "the Selling Price" shall mean the price per share (if any) specified in the Transfer Notice. If no such price is so specified the auditors acting as experts and not as arbitrators shall state in writing what in their opinion is the fair value of the business of the Company as a going concern and on the basis of an arm's length transaction as between a willing vendor and a willing purchaser and the Selling Price per share shall be the fair value of the business divided by all the issued Ordinary and Preferred Ordinary Shares of the Company. The determination of the auditors shall be final and binding on all concerned. The cost of obtaining the certificate of the auditors shall be borne by the Company unless the Selling Member shall have withdrawn the Transfer Notice pursuant to sub-paragraph (A) in which case the Selling Member shall bear the cost. Before giving any such certificate the auditors shall give both the Selling Member and the Directors the opportunity of expressing their views as to the fair value of the business of the Company.
- (C) Within 7 days after a Transfer Notice specifying the Selling Price has been received by the Directors or, as the case may be, within 10 days after the Selling Price shall have been determined (provided that the Selling Member shall not have given notice withdrawing the Transfer Notice in pursuance of sub-paragraph (A)), the Directors shall inform each member (other than the Selling Member) in writing ("the Directors' Notice") giving details of the number of shares specified in the Transfer Notice ("the Sale Shares") and the Selling Price and inviting each such member to apply in writing within 21 days from the date of the notice for the purchase of any of such shares at the

Selling Price stating the maximum number thereof which he is prepared to purchase. The Directors' Notice shall give details of the person to whom the Selling Member wishes to transfer the Sale Shares in the event that no purchaser(s) shall have been found pursuant to sub-paragraphs (C) to (E). At the expiration of the said period the Directors shall allocate the Sale Shares as nearly as circumstances will admit in the following order:-

first, to each applicant whichever is the lesser of the number of Sale Shares for which he has applied and his Pro Rata Entitlement; and

secondly, to each applicant for Sale Shares in excess of his Pro Rata Entitlement, the amount of his excess application; and so that where there are insufficient Sale Shares to meet all such excess applications in full they shall be met in proportion to the existing holding of shares of each such applicant, save that no such applicant shall be required or entitled to take more of the Sale Shares than he shall have applied for.

Where such allocations would give rise to an entitlement to share fractions, the Directors shall make such adjustments as they shall consider reasonable.

For the purposes of this paragraph the Pro Rata Entitlement of a member is the proportion which the shares of which he is holder bears to the total number of shares in issue other than the Sale Shares and any other shares held by the Selling Member.

- (D) Within seven days of the expiry of the 21 day period referred to in sub-paragraph (C) the Directors shall give written notice to the Selling Member and to the members who have applied for Sale Shares of the applications and the allocations which have been made under sub-paragraph (C). If the Directors shall under the preceding sub-paragraphs of this Article have found members willing to purchase some or all of the Sale Shares, the Selling Member shall be bound on receipt of the Selling Price per share to transfer the Sale Shares specified in the Transfer Notice (or such of the same for which the Directors shall have found purchasers) to the purchasers specified by the Directors in accordance with this paragraph. The purchase shall be completed as soon as reasonably practicable at a place and time to be appointed by the Directors when against payment of the Selling Price per

share (and subject to the transfers being re-presented duly stamped) the purchaser(s) shall be registered as the holder(s) of the relevant shares in the Register of Members and share certificate(s) in the name(s) of such purchaser(s) and in respect of the relevant shares shall be delivered.

- (E) If the Selling Member after having become bound to transfer any Sale Shares to a purchaser makes default in so doing the Directors shall authorise some person to execute any necessary transfers of the Sale Shares in favour of the purchaser(s) and shall enter the name(s) of the purchaser(s) in the Register of Members as the holder(s) of such of the Sale Shares as shall have been transferred to them as aforesaid. The Company shall receive the purchase money on behalf of the Selling Member but shall not be bound to earn or pay interest thereon. The receipt of the Company for the purchase money shall be a good discharge to any purchaser who shall not be bound to see the application thereof, and after the name of the purchaser has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.
- (F) If by the end of the applicable period specified in paragraph (D) the Directors shall not have found purchasers for all the Sale Shares pursuant to this Article, the Selling Member shall be at liberty to transfer the Sale Shares for which no purchasers shall have been found at any time within the following 2 months to any person or persons and at any price not being less than the Selling Price per share, provided that (i) the Directors shall require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for a consideration not being less than the Selling Price per share without any deduction rebate or allowance whatsoever to the purchaser and if not so satisfied the transfer shall not be permitted; and (ii) in the case of a proposed transfer of Ordinary Shares, the holder(s) of the Preferred Ordinary Shares shall have approved in writing the person or persons to whom any such shares are to be transferred.

- (4) For the purpose of ensuring that shares are not transferred save in accordance with the provisions of this Article the Directors may at any time require any member or any person named as transferor or transferee under any transfer lodged for registration to furnish to the Company such information and evidence as the

Directors may think fit regarding any matter they deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time (not exceeding thirty days) after such request the Directors shall refuse to register the transfer in question or (as the case may be) shall serve notice on such member, transferor or transferee named in such transfer requiring such person or persons to sell the shares held by him or them in accordance with the provisions of this Article, and upon the service of such notice (or any notice served by the Directors under paragraph (3)) such person or persons shall be deemed to have served a Transfer Notice on the Company and to have become bound to transfer the shares at the fair value thereof and all the provisions of this Article shall, mutatis mutandis, apply and take effect save that the provisions permitting withdrawal of a Transfer Notice as referred to in sub-paragraph (A) shall not apply.

- (5) The Directors may in their absolute discretion and without giving any reason therefor refuse to register or recognise the transfer of any share, whether or not such share is fully paid up, except the transfer of a share pursuant to the provisions of this Article. The first sentence of Regulation 24 of Table A shall not apply.

TRANSMISSION OF SHARES

8. Notwithstanding anything to the contrary contained in Regulations 29 to 31 of Table A in the event of the death, bankruptcy or liquidation of a member, the person becoming entitled to a share in consequence of such death, bankruptcy or liquidation shall be deemed to have served a Transfer Notice in respect of all shares to which he has become so entitled and the provisions of Article 6 shall apply as if such person were a holder of such share.

LIEN

9. In addition to the lien conferred by Regulation 8 of Table A the Company shall have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of a member, whether alone or jointly with any other person or persons, for all the debts and liabilities of such member to the Company. Regulation 8 of Table A shall be modified accordingly.

PROCEEDINGS AT GENERAL MEETINGS

10. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of the receipt and consideration of the profit and loss account, the balance sheet and group accounts (if any) of the Company and the reports of the Directors and the auditors and other documents required to be annexed to the balance sheet, the declaration of dividends, the re-appointment of the retiring auditors and the fixing of the remuneration of the auditors. In Regulation 38 of Table A the words "in the case of special business" shall be added before the words "the general nature of the business to be transacted".
11. No business shall be transacted at any general meeting unless a quorum is present. 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 unless the company is a single member company in accordance with the provisions of the Companies (Single Member Private Limited Companies) Regulations 1992 in which case the quorum shall be one, being the member or a proxy for the member or, if the member is a corporation, its duly authorised representative. Regulation 40 of Table A shall not apply.
12. A poll may be demanded by the Chairman or any member present in person or by proxy and entitled to vote, and Regulation 46 of Table A shall be modified accordingly.
13. If a resolution in writing referred to in Regulation 53 of Table A is described as a special resolution or as an extraordinary resolution it shall have effect accordingly.

VOTES OF MEMBERS

14. On a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for each share of which he is the holder. Regulation 54 of Table A shall be modified accordingly.

DIRECTORS

15. The holders of a majority of the Preferred Ordinary Shares for the time being issued may from time to time appoint any person as a Director of the Company and may remove any person so appointed. Every such appointment or removal shall be in writing signed by or on

behalf of the Preferred Ordinary Shareholder(s) and shall take effect when delivered to the registered office of the Company or to a meeting of the Directors. The remuneration of any person appointed pursuant to this Article shall be agreed between the Company and the Preferred Ordinary Shareholder(s).

ALTERNATE DIRECTORS

16. Any Director (other than an alternate director) may appoint any other Director or any other person approved by a majority of the other Directors and willing to act to be his alternate, and may remove from office any alternate appointed by him. An alternate may also be removed from office by a resolution of the Board. An alternate shall be entitled at any meeting of Directors or committee of Directors to one vote for each Director he represents in addition (if he is a Director) to his own vote, but he shall not be called more than once for the purpose of ascertaining whether a quorum is present. Regulations 65 and 67 of Table A shall be modified accordingly.

APPOINTMENT AND REMOVAL OF DIRECTORS

17. No Director shall be required to retire or 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 of his having attained any particular age. Regulations 73 to 77 and Regulation 80 and the last two sentences of Regulation 79 of Table A shall not apply. In Regulation 67 of Table A all words after the semicolon and in Regulation 78 of Table A the words "Subject as aforesaid" and the words "and may also determine the rotation in which any additional directors are to retire" shall be omitted.
18. The Company may by extraordinary resolution remove any Director (including a Director holding any executive office but without prejudice to any claim he might have for damages) before the expiration of his period of office, and may by an ordinary resolution appoint another person in his place.

PROCEEDINGS OF DIRECTORS

19. Members of the Board or of any Committee thereof may participate in a meeting of the Board or of such committee by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other and

participation in a meeting pursuant to this provision shall constitute presence in person at such a meeting.

POWERS AND DUTIES OF DIRECTORS

20. A Director, notwithstanding that he or, in the case of an alternate Director, his appointor, or any person connected with him or (as the case may be) his appointor has an interest or duty (whether material or not) and which conflicts or may conflict with the interests of the Company, may vote in respect of any contract, transaction or arrangement and may be counted in the quorum present at any meeting. Regulations 94, 95, 96 and 97 of Table A shall not apply.

THE SEAL

21. Where the Companies Acts 1985 and 1989 permit, any instrument signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Common Seal of the Company, provided that no instrument shall be so signed which makes it clear on its face that it is intended to have effect as a deed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

INSPECTION OF DOCUMENTS

22. Any member shall be entitled to inspect the accounting records and other books and papers of the Company. Regulation 109 of Table A shall not apply.

NOTICES

23. Any notice, if served by post, shall be deemed to have been served at the expiration of twenty-four hours after the letter containing the same is put into a post office situated within the United Kingdom, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed, prepaid and put into such post office. Regulation 115 of Table A shall not apply.

INSURANCE

24. To the extent permitted by law the Directors may arrange insurance cover at the cost of the Company in respect of any liability, loss or expenditure incurred by any Director, or other

officer or auditor of the Company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as Director, officer or auditor.