

Company Registered Number 4196201

THE COMPANIES ACT 1985

SPECIAL RESOLUTION

of

**AMBIT STAINLESS LIMITED**

At an Extraordinary General Meeting of the Company duly convened and held at:

Octagon House, Fir Road, Bramhall, Stockport, Cheshire SK7 2NP

on 6 April 2001 the following SPECIAL RESOLUTION was duly passed:

**RESOLUTION**

That the Articles of Association contained in the document attached hereto be approved and adopted as the Articles of Association of the Company in substitution of all the existing Articles.

  
.....  
Chairman

6/4/2001

Dated



# The Companies Acts 1985 and 1989

## COMPANY LIMITED BY SHARES

### ARTICLES OF ASSOCIATION OF AMBIT STAINLESS LIMITED

#### PRELIMINARY

1. (a) Subject as hereinafter provided, the regulations contained in Table A of the Companies (Tables A to F) (Amendment) Regulations 1985 (hereinafter referred to as "Table A"), and made pursuant to the provisions of the Companies Act 1985 (hereinafter referred to as "The Act") and the Companies Act 1989 (hereinafter referred to as the "1989 Act") shall apply to the Company.
- (b) Regulations 24, 35, 40, and 73 to 82 inclusive of Table A shall not apply to the Company.
- (c) The expressions "relevant securities" and "equity securities", wheresoever appearing herein, shall bear the meanings ascribed to them by the Act.

#### SHARES

2. Subject to the provisions of Table A and to the following provisions of these Articles, the Directors shall have authority to exercise any power of the Company to offer, allot or otherwise dispose of any shares in the Company, or any relevant securities, to such persons, at such times and generally on such terms and conditions as they think proper provided that (insofar as the Company in General Meeting shall not have varied, renewed or revoked the said authority):
  - (i) The Directors shall not be authorised to make any offer or allotment of shares in the Company, or grant any right to subscribe for, or to convert any securities into, shares in the Company if such allotment, or an allotment in pursuance of such offer or right, would or might result in the aggregate of the shares or stock in issue exceeding, in nominal value, the amount of the Authorised Share Capital of the Company for the time being, and such limitation shall determine the maximum amount of the relevant securities which at any time remain to be allotted by the Directors hereunder.
  - (ii) The period within which the said authority to allot relevant securities may be exercised shall be limited to five years, commencing upon the date of incorporation of the Company.
3. (a) Section 89(1) and Section 90(1) to (6) of the Act shall not apply to any allotment of equity securities by the Company.
- (b) The shares comprised in the initial allotment by the Company shall be at the disposal of the Directors as they think proper but thereafter, unless otherwise determined by Special Resolution of the Company in General Meeting, any relevant securities shall, before they are allotted on any terms to any person, be first offered on the same or more favourable terms to each person who holds shares in the Company in the proportion which is, as nearly as practicable, equal to the proportion in nominal value held by him of the aggregate of such shares in issue.
- (c) Such offer shall be made by notice in writing specifying the number of shares offered and the period, being not less than twenty one days, within which the offer, if not accepted, will be deemed to have been declined. After the expiration of such period, or on receipt of notice of the acceptance or refusal of every offer so made, the Directors may, subject to these Articles, dispose of such securities as have not been taken up in such manner as they think proper. The Directors may, in like manner, dispose of any such securities as aforesaid, which by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in the manner hereinbefore provided.
4. (a) No share shall be issued at a discount.
- (b) The Company shall not have power to issue share warrants to bearer.
- (c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.
5. Subject to the provisions of the Acts and the 1989 Act:
  - (a) The Company may purchase any of its own shares, provided that the terms of any contract under which the Company will or may become entitled or obliged to purchase its own shares shall be authorised by Special Resolution of the Company in General Meeting before the Company enters into the contract.
  - (b) The Company shall be authorised, in respect of the redemption or purchase of any of its own shares, to give such financial assistance, or to make such payments out of capital as may be permissible in accordance with the Act, provided that any such assistance or payment shall first be approved by Special Resolution of the Company in General Meeting.
  - (c) The Company may by Special Resolution reduce its Share Capital and any capital redemption reserve or share premium account in any manner authorised by law.

## LIEN

6. In regulation 8 of Table A, the words "(not being a fully paid share)" shall be omitted. The Company shall have a first and paramount lien on all shares standing registered in the name of any person (whether he be the sole registered holder thereof or one of two or more joint holders) for all moneys presently payable by him or his estate to the Company.

## TRANSFER OF SHARES

7. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share.
8. (a) A member shall not transfer place on trust or otherwise dispose of his respective share in the Company save in accordance with Article 8(b) and (c) hereof.
- (b) If a member desires to dispose of his shares in whole or in part then that member shall either:
- (i) transfer the shares to any other member or members of the Company in consideration of a sum to be agreed between the parties; or
  - (ii) give to the then directors of the Company notice in writing of his desire to dispose of his shares ("the Sale Shares") to the existing shareholders of the Company ("the Shareholders") pro rata as nearly as may be in proportion to the existing number of shares then held by the Shareholders respectively. Such notification ("the Transfer Notice") shall constitute the directors of the Company the agents for the sale of the Sale Shares at the price hereinafter defined in Article 8(d) hereof and in the manner defined in Article 8(e) hereof.
- (c) If a member being an employee of the Company shall cease to be employed by the Company or makes an act of default hereinafter defined in Article 8(h) hereof ("Act of Default") or if a person becomes entitled to such member's shares in death or bankruptcy of that member then that member or that person so entitled to that member's share as the case may be shall be deemed to have given to the then directors of the Company irrevocable notice of his desire to forfeit his shares and the said shares shall be bought back by the Company at par value irrespective of any value that may be considered to attach to the said shares at that time.
- (d) The price of the Sale Shares shall be determined by the then Auditors of the Company based upon the market value of the Sale Shares as at the date of service of the Transfer Notice or the date of termination of the member's employment with the Company or the date of the Act of Default of the member or the date when a person becomes so entitled to a member's share as the case may be on a going concern basis between a willing seller and a willing buyer and that no additional or reduced values shall be allocated to the Sale Shares by virtue only of such holding comprising or giving rise to a majority or minority of the total issued share capital of the Company ("the Sale Price").
- (e) (i) The member or the person so entitled to the member's shares as the case may be shall forthwith upon the determination of the Sale Price offer the Sale Shares at the Sale Price to the Shareholders pro rata as nearly as may be in proportion to the existing number of shares held by the Shareholders respectively and
- (ii) if a Shareholder fails to accept the offer within ten days of it having been made the Sale Shares shall forthwith be re-offered at the Sale Price to those Shareholders who have so agreed to purchase the Sale Shares originally offered to them in nearly as may be in proportion to their existing holding and that to the extent that such further offer shall not have been so accepted within ten days of having been made or if no Shareholder has accepted the original offer so made then those Sale Shares not so purchased shall be purchased by the Company at the Sale Price thereby reducing the Company's issued Share Capital.
- (f) Upon such allocation of the Sale Shares having been made the member or the person so entitled to the member's shares as the case may be shall be bound upon payment to transfer the Sale Shares so sold to the Shareholders or the Company as the case may be.
- (g) In any case the member or the person so entitled to the member's share as the case may be makes default in so transferring any share to a Shareholder pursuant to these Articles the member or the person so entitled to the member's share as the case may be appoints the Company its agent in receiving the purchase money for the shares and appoints any director of the Company to execute instruments of transfer of the shares and the receipt of the Company for the purchase money shall be in good discharge and after the Shareholder's name has been entered in the Register of the Company the validity of the said transaction shall not be questioned by any person.
- (h) A member shall make an Act of Default if he
- (i) makes an assignment for the benefit of creditors generally or fails to pay his debts generally as they become due; or
  - (ii) is adjudicated bankrupt or insolvent or petitions or applies to any tribunal for or consents to the appointment of or taking possession by a trustee receiver custodian liquidator or similar official of it or any substantial part of its assets or commences any proceeding relating to him under any applicable bankruptcy or insolvency law of any jurisdiction or any such petition or application is filed or any such proceedings are commenced against him and by any act he indicates his approval thereof consent thereto or acquiescence therein or an order for relief applicable bankruptcy or insolvency law whether now or hereafter in effect or an order judgement or decree is entered appointing any such trustee receiver custodian liquidator or similar official or approving the petition in any such proceedings and such order judgement or decree remains unstayed and in effect for more than 30 days; or
  - (iii) has an attachment or execution levied or issued against his assets and the same is not bonded vacated satisfied or stayed within 30 days.

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## PROCEEDINGS AT GENERAL MEETINGS

9. At the end of regulation 38 of Table A there shall be inserted the following: "In every notice of a general meeting there shall appear the statement referred to in Section 372(3) of the Act, in relation to the right of a member to appoint proxies".
10. (a) No business shall be transacted at any Meeting unless a quorum is present. Two members entitled to attend and vote at that Meeting, present in person, or by proxy or (in the case of a corporation) a duly authorised representative shall be a quorum. If and so long as the Company shall have one member only, that person alone present in person or by proxy or by a duly authorised representative shall be a quorum and in such instance, a proxy for a sole member shall be entitled to vote on a show of hands and Regulation 54 of Table A shall be deemed to be amended accordingly. At the end of Regulation 41 of Table A there shall be inserted the following: "If within half an hour from the time appointed for the holding of an adjourned meeting a quorum is not present, the members present shall be a quorum".
  - (b) At the end of regulation 57 of Table A there shall be inserted the following "except when he is the sole member".
  - (c) In regulation 59 of Table A, the second sentence shall be omitted.
11. Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings (or being a corporation by their representative) shall be as valid and effective as if the same had been passed at a general meeting of the company duly convened and held.
12. In addition to any other manner in which the member or members of the Company are authorised under the Act to reach and record their decisions in relation to the Company, a member who is for the time being the sole member of the Company shall be entitled to take any decision which may be taken by the Company in general meeting and such decision shall have effect as if agreed by the Company in general meeting, subject as hereinafter follows:
  - (a) A decision taken by virtue of this clause shall be notified to the Company within seven days of the date on which it was taken, failing which such decision shall be invalid and of no effect.
  - (b) Any resolution of a kind described below shall not be capable of being passed by virtue of the procedure described in this clause:
    - (i) Any resolution, which if passed at a general meeting, would need to be passed as a Special Resolution or Extraordinary Resolution.
    - (ii) Any resolution to change the terms of appointment of the officers or auditors.
    - (iii) Any resolutions requiring special notice.

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## APPOINTMENT AND REMOVAL OF DIRECTORS

13. In addition and without prejudice to the provisions of Section 303 of the Act, the Company may by Ordinary Resolution remove any Director before the expiration of his period of office. Subject to the provisions of Table A and Section 303(2) of the Act, 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. In regulation 38 of Table A the words "or a resolution appointing a person as a Director" shall be omitted.

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## PROCEEDINGS OF DIRECTORS

14. (a) If and so long as there shall be one Director only he shall be entitled to exercise all the powers and shall carry out all the duties assigned to Directors and the provisions of these Articles and the regulations of Table A shall be construed accordingly. In such instance, the word "one" shall be substituted in place of the word "two" in the first sentence of Regulation 89 of Table A.
  - (b) In regulation 64 of Table A for the word "two" there shall be substituted the word "one".
15. Any director or his alternate may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the directors or a committee of the directors shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the directors or of a committee of the directors notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

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## DIRECTOR'S INTERESTS

16. A Director may vote in respect of any contract or arrangement in which he, or any person with whom he is connected, is interested and be counted in the quorum present at any meeting of the Directors or, if otherwise so entitled, at any General Meeting of the Company at which any such contract or arrangement is proposed or considered, and if he shall so vote, his vote shall be counted. This Article shall have effect in substitution for regulations 94 to 98 inclusive of Table A, which regulations shall not apply to the Company.

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## INDEMNITY

17. Subject to the provisions of Section 310 of The Act, and in addition to such indemnity as is contained in regulation 118 of Table A, every Director, Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him in or about the execution and discharge of the duties of his office.

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## COMPANY SEAL

18. In accordance with Section 36A(3) of the Act the Company need not have a seal and 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.

Name and Address of Subscriber

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PHILIP CHARLES VIBRANS  
1 ASHFIELD ROAD  
DAVENPORT  
STOCKPORT  
CHESHIRE  
SK3 8UD  
ENGLAND

Signed:

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Dated: 4 April 2001

Witness to the above signature:

NEIL EDWARD WAKEFIELD  
18 AKESMOOR DRIVE  
MILE END  
STOCKPORT  
CHESHIRE  
SK2 6BU  
ENGLAND