

No: 4426554

**THE COMPANIES ACT 1985**

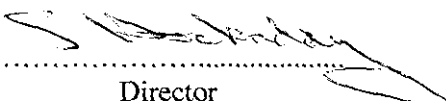
**PUBLIC COMPANY LIMITED BY SHARES**

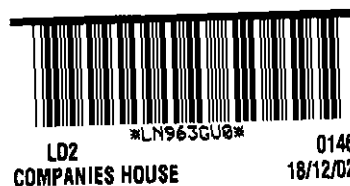
**EXCHEQUER PARTNERSHIP (NO. 2) HOLDINGS LIMITED**

At an extraordinary general meeting of the Company duly convened and held on 13 December 2002, the following resolution was passed as a special resolution.

**SPECIAL RESOLUTION**

THAT new articles of association in the form contained in the draft articles of association produced to the meeting and initialled by the chairman for the purposes of identification be adopted as the articles of association of the Company in substitution for and to the exclusion of all previous articles of association.

  
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Director



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THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION OF

Exchequer Partnership (No. 2) Holdings Limited

Adopted by Special Resolution of the Company on 13 December 2002

1. **PRELIMINARY**

- 1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the Articles of Association of the Company.
- 1.2 In these Articles the expression "the Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

2. **DEFINITIONS**

In these Articles the following words and expressions have the following meanings:-

- 2.1 **"Business Day"** means a day on which clearing banks in the City of London are open for business excluding Saturdays and Sundays.

**"Group"** means, in relation to a shareholder the group of companies comprising that company and its subsidiaries and any company (a **"parent company"**) of which that company is a subsidiary and any other subsidiary of that parent company for the time being;

**"Initial Shareholders"** means each of Bovis Lend Lease Holdings Limited, Stanhope Plc and Chesterton International Plc;

**"Percentage Interest"** means the respective proportions in which the issued shares of the Company are held from time to time by its shareholders;

**"Relevant Agreement"** means an agreement or deed relating (in whole or in part) to the management and/or affairs of the Company or the business or operations of the

Company or Exchequer Partnership (No. 2) Limited to which the Company or Exchequer Partnership (No. 2) Limited is expressed to be a party.

### **3. ALLOTMENT OF SHARES**

- 3.1 Shares which are comprised in the authorised but unissued share capital of the Company shall be under the control of the directors who may (subject to sections 80 and 89 of the Act and to Articles 3.2 and 3.3 below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.
- 3.2 The directors are generally and unconditionally authorised for the purposes of section 80 of the Act to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company at any time or times during the period of five years from the date of incorporation and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution.
- 3.3 The directors are empowered to allot and grant rights to subscribe for or convert securities into shares of the Company pursuant to the authority conferred under Article 3.2 above as if section 89(1) of the Act did not apply. This power shall enable the directors so to allot and grant rights to subscribe for or convert securities into shares of the Company after its expiry in pursuance of an offer or agreement so to do made by the Company before its expiry.
- 3.4 Save as authorised by the Act, the Company shall not give, whether directly or indirectly, any financial assistance for the acquisition of shares or other securities of the Company or of its holding company (as defined by Section 736 of the Act).
- 3.5 Save as permitted by section 101(2) of the Act, no shares of the Company shall be allotted except as paid up at least as to one quarter of their nominal value and the whole of any premium.

### **4. SHARES**

- 4.1 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 regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such "non-payment".

### **5. TRANSFER OF SHARES**

- 5.1 Subject to Article 5.12, the provisions of this clause 5 shall apply in relation to any transfer, or proposed transfer, of the Company's shares or any interest in such shares unless otherwise agreed by all shareholders.
- 5.2 No shareholder may, without the prior written consent of all other shareholders:

- (a) transfer any shares in the Company (otherwise than in accordance with this clause); or
  - (b) grant, declare, create or dispose of any right or interest in any shares of the Company (otherwise than in accordance with this clause); or
  - (c) create or permit to exist any pledge, lien, charge (whether fixed or floating) or other encumbrance over any shares of the Company.
- 5.3 Save for transfers for which consent is given under clause 5.2 or for intra-Group transfers permitted under clause 5.10, no shares held by any shareholder (or an interest in such shares) may be transferred otherwise than pursuant to a transfer by that shareholder (the "**Seller**") and/or members of its Group of all of the shares in the Company collectively held by it and any member of its Group (the "**Seller's Shares**") in accordance with clauses 5.4 to 5.12 (inclusive).
- 5.4 The board of directors of the Company from time to time ("**the Board**") shall not permit any transfer of any shares in the Company or any other act of the Company where such a transfer or action would result in a breach of any of the provisions of any Relevant Agreement.
- 5.5 Subject to clause 5.4, prior to the Seller (and/or any shareholder in its Group) making any transfer of the Seller's Shares, the Seller shall first give to each other shareholder (other than any shareholder in its Group) (the "**Continuing Parties**" and "**Continuing Party**" shall be construed accordingly) notice in writing (a "**Transfer Notice**") of any proposed transfer together with details of the proposed third party purchaser thereof (the "**Third Party Purchaser**"), the purchase price and other material terms agreed between the Seller and the Third Party Purchaser. A Transfer Notice shall, at the option of the Seller, be revocable by notice in writing given to the Continuing Parties at any time prior to any Continuing Party notifying the Seller of its intention to purchase the Seller's Shares.
- 5.6 On receipt of the Transfer Notice, each Continuing Party shall have the right to purchase the Seller's Shares pro rata to its Percentage Interest at the purchase price (on a per share basis) stated in the Transfer Notice. If a Continuing Party elects not to purchase any or all of the Seller's Shares to which it is entitled, the Seller shall notify the remaining Continuing Parties in writing (the "**Second Notice**"), and the remaining Seller's Shares may be acquired by one or more of the remaining Continuing Parties and, if there is competition for such remaining Seller's Shares, each such remaining Continuing Party shall have the right to acquire those Seller's Shares pro rata to its Percentage Interest. The purchase of the Seller's Shares pursuant to this Article 5.6 shall be at the purchase price specified in the Transfer Notice (or at such other price as shall be agreed between the Seller and the relevant Continuing Party). Any Continuing Party which elects to purchase any of the Seller's Shares shall give written notice (in accordance with Article 6.5 as if the references in that Article were amended accordingly and so that the time limits set out in this Article shall apply) to the Seller within 30 days of receipt of the Transfer Notice or within 15 days of receipt of the Second Notice (as the case may be). Failure by a Continuing Party to notify the Seller of its election within these time periods shall be deemed to be an election by that

Continuing Party not to purchase the relevant Seller's Shares. The obligations of the parties to complete such purchase shall be subject to the provisions of Article 5.7.

- 5.7 The Continuing Party shall become bound to purchase the Seller's Shares on giving one or more written notices to the Seller to exercise its rights under Article 5.6. In such event, completion of the sale and purchase of the Seller's Shares shall take place within 14 days after the giving of the later of such notices.
- 5.8 If no Continuing Party exercises its rights of purchase under Article 5.6, or if, after any such exercise by one or more Continuing Parties, not all of the Seller's Shares have been acquired by the Continuing Parties, the Seller shall (subject to Article 5.9 below) be entitled to transfer such of the Seller's Shares that have not been acquired by the Continuing Parties (the "**Remaining Shares**") on a bona fide arm's length sale to the Third Party Purchaser at a price being not less than the purchase price specified in the Transfer Notice, provided that:-
- (a) the acquisition of the Seller's Shares by the Third Party Purchaser would not, in the reasonable opinion of any Continuing Party, be materially detrimental to the interests of Exchequer Partnership (No. 2) Limited or the Company; and
  - (b) such transfer shall have been completed within a period of 60 days after the date of the Transfer Notice.
- 5.9 Completion of any transfer of Seller's Shares to a Third Party Purchaser shall be subject to the conditions that:-
- (a) the Third Party Purchaser shall first have entered into an agreement with the Continuing Parties in a form specified by the Continuing Parties;
  - (b) any loans, loan capital, borrowings and indebtedness in the nature of borrowing (but excluding, for the avoidance of doubt, any debts incurred in the ordinary course of trade which are at the relevant time outstanding on inter-company account) owing at that time from the Company to the Seller or any member of its Group shall first have been assigned to, or equivalent finance made available by, the Third Party Purchaser and the Seller shall transfer its holding of any loan stock to the Third Party Purchaser; and
  - (c) if and insofar as the Seller requires the Third Party Purchaser to assume the obligations of the Seller under any guarantees and/or counter-indemnities to third parties in relation to the business of Exchequer Partnership (No. 2) Limited or the Company, such assumption shall first have taken place provided that:-
    - (i) any such assumption is without prejudice to the right of each Continuing Party to receive a contribution from the Seller for its share of any claims attributable to any liabilities arising in respect of the period during which the Seller and/or any members of its Group held shares; and

- (ii) any such assumption does not give rise to a default by the Seller, Exchequer Partnership (No. 2) Limited or the Continuing Parties under any Relevant Agreement.

5.10 A shareholder shall be entitled at any time to transfer any of the shares held by it to any member of its own Group provided that:-

- (a) the transferee shall first have entered into an agreement with the other shareholders in the form to be specified by the other shareholders; and
- (b) the transferor provides the Company and the remaining shareholders with any guarantee of its obligations in such form and substance as the Company or the shareholders may reasonably require.

5.11 Each shareholder undertakes to procure that, if any shareholder in its Group ceases at any time to be a member of its Group, such shareholder prior to so ceasing shall transfer all of the shares held by it at the time in question to the shareholder or to a company which is a member of the Group of the shareholder.

5.12 Notwithstanding any other provisions of these Articles, no shares shall be transferred if such transfer would cause (directly or indirectly) either Exchequer Partnership (No. 2) Limited or the Company to be in breach of its obligations under any Relevant Agreement.

## 6. CHANGE OF CONTROL

6.1 Subject to Article 5.12, the provisions of this Article 6 shall apply in the event of a change in holder of the Controlling Interest of a shareholder.

6.2 A Controlling Interest for the purposes of Article 6.1 shall mean either:

- (i) the ownership or control (directly or indirectly) of more than 50 per cent. of the voting share capital of the shareholder; or
- (ii) the ability to direct the casting of more than 50 per cent. of the votes exercisable at general meetings of the shareholder on all, or substantially all matters; or
- (iii) the right to appoint or remove directors holding a majority of the voting rights of meetings of the board of the shareholder on all, or substantially all, matters.

6.3 A change in the holder of the Controlling Interest in a shareholder shall be a "**Change of Control**". A shareholder which is the subject of a Change of Control shall be a "**Changed Party**".

6.4 If there is a Change of Control in respect of a shareholder then the Changed Party shall give notice in accordance with Article 15 of such Change of Control as soon as is practicable thereafter to the Company and to each other shareholder.

- 6.5 At any time prior to the expiry of a period of 90 days after notice has been given of such Change of Control each remaining shareholder shall be entitled to make an offer in respect of the shares (the "**Relevant Shares**") held by the Changed Party (and/or any members of its Group) pro rata to its Percentage Interest. In the event that not all the Relevant Shares are acquired by the remaining shareholders, the remaining Relevant Shares may be acquired by one or more of the remaining shareholders and, if there is competition for such remaining Relevant Shares, each such remaining shareholder may acquire such Relevant Shares pro rata to its Percentage Interest.
- 6.6 Any offer by a remaining shareholder (the "**Buyer**") for the Relevant Shares referred to in Article 6.5 shall take the form of a notice to the Changed Party (the "**Offer Notice**"). Included in such Offer Notice shall be the price offered (the "**Offered Price**") and a statement that the offer is to be accepted within a period of 30 days of receipt of the Offer Notice (the "**Acceptance Period**").
- 6.7 If the Changed Party notifies a Buyer within the said 30 day period that it does not accept the Offered Price or fails to respond to the Buyer within such period, an internationally recognised firm of accountants (the "**Expert**") shall be appointed to determine the Fair Price. The following principles shall apply:-
- (a) the Expert shall, unless otherwise agreed between the Changed Party and the Buyer, be a firm which is independent of both parties;
  - (b) if the Changed Party and the Buyer are unable to agree upon such firm within a period of 15 days after the expiry of the Acceptance Period, then the Expert shall be appointed by the President for the time being of the Institute of Chartered Accountants;
  - (c) the parties shall procure that there is made available to the Expert such information relating to the Company as it reasonably requires in order to determine the Fair Price;
  - (d) in certifying the Fair Price (which shall be the open market value of the Relevant Shares between a willing seller and a willing third party buyer at the date of the Offer Notice without any premium or discount by reference to the percentage of Relevant Shares being sold), the Expert shall take into account all factors it considers to be relevant, including the purchase price and other material terms agreed between the Changed Party and the Buyer;
  - (e) the Expert shall be deemed to be acting as an expert and not an arbitrator and its decision shall be final and binding on the parties;
  - (f) the cost of obtaining the Expert's certificate (the "**Certificate**") shall be borne by the parties equally.
- 6.8 If an appointment of the Expert is made under Article 6.7, the Buyer shall have the right to purchase the Relevant Shares to which it is entitled from the Changed Party at the Fair Price and the Buyer shall exercise such right of purchase by giving written notice to the Changed Party within 30 days of the issue of the Certificate (which, for

the avoidance of doubt, shall be issued by the Expert to both the Changed Party and the Buyer).

6.9 Subject only to any necessary approvals of any governmental or regulatory agencies or authorities ("**Approvals**"), the Changed Party shall become bound to sell and the Buyer shall become bound to purchase the Relevant Shares:-

- (a) at the Offered Price on the Changed Party giving written notice of acceptance of the Offered Price under Article 6.6; or
- (b) at the Fair Price on the Buyer giving written notice of the exercise of its right under Article 6.8.

In such event, completion of the sale and purchase of the Relevant Shares shall take place within 60 days of the day on which each of the Changed Party and the Buyer become so bound (the "**Reference Date**") or, if any Approval that is required to be obtained has not been obtained by the expiry of that period, within ten days of the date on which the last Approval to be obtained is obtained provided that, if any such Approval has not been obtained, within 180 days after the Reference Date, the Offer Notice shall lapse and be without further effect and the Relevant Shares the subject of that Offer Notice may be acquired by the remaining shareholders in accordance with the provisions of this clause.

6.10 In addition to the procedures set out in Articles 6.1 to 6.9 above, on a Change in Control of a shareholder the Company shall have a first and paramount lien over the shares in the Company held by the Changed Party and those held by any member of its Group (a "**Lien**").

6.11 Notwithstanding such notice under Article 6.4, the Company may sell in such manner as the directors determine the shares over which the Company has a lien under Article 6.10 at any time after the notice has been received from the Changed Party.

6.12 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

6.13 The net proceeds of such a sale under Article 6.11 (which shall be the Fair Price, determined in accordance with Article 6.7, less any costs paid by the Company in connection with the disposal of the Relevant Shares) shall be paid to the Changed Party.

6.14 Notwithstanding any provisions contained elsewhere in this Agreement, a flotation of one or more shareholders shall not be deemed to be a Change of Control of that shareholder.

For the purposes of this Article, a "flotation" shall include:-

- (a) the admission of all or any class of securities of the Company to the Official List of the London Stock Exchange or to trading of such securities on the



Alternative Investment Market of the London Stock Exchange or the official list of any other recognised stock exchange; and

- (b) a "reverse takeover" for the purposes of either the Listing Rules of the London Stock Exchange or the AIM Rules.

6.15 For the purposes of these Articles, the term "**Change of Control**" shall be deemed not to include a change in the Controlling Interest of a shareholder resulting from transactions in the London Stock Exchange or on the Alternative Investment Market of the London Stock Exchange or any other recognised Stock Exchange.

## 7. **INSOLVENCY**

7.1 It shall be an Insolvency Event in relation to a shareholder if:-

- (a) an order is made by a court of competent jurisdiction, or a resolution is passed, for the dissolution or administration of that shareholder (otherwise than in the course of a reorganisation or restructuring previously approved in writing by each other shareholder, such approval not to be unreasonably withheld or delayed); or
- (b) a liquidator, manager, receiver, administrator, trustee or other similar officer is appointed in respect of any assets held by that shareholder, which assets include the Company's shares; or
- (c) that shareholder convenes a meeting of its creditors or makes or proposes any arrangement or composition with, or any assignment for the benefit of, its creditors.

7.2 Subject to Article 5.12, if an Insolvency Event shall occur in relation to a shareholder (the "**Affected Party**") then, at the instance of the Company either:

- (i) the Affected Party shall be deemed to be a Seller which has given a Transfer Notice under Article 5.5 in respect of its shares in the Company and the shares in the Company held by any member of its Group, and each other shareholder shall have the right to purchase those shares in such manner as set out in Article 5.6 at such price as shall be agreed between the Affected Party and the other party and, failing agreement as to such price within 14 days, at the Fair Price to be determined in accordance with Article 6.7. The provisions of Article 6.7 shall apply to this Article 7.2 mutatis mutandis; or
- (ii) the Company shall have a Lien and the provisions of Article 6.10 shall apply.

## 8. **GENERAL MEETINGS AND RESOLUTIONS**

8.1 Every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and to the auditors for the time being of the Company.

- 8.2 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day of the week at the same time and place or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved.
- 8.3 Regulation 41 in Table A shall not apply to the Company.
- 8.4 Resolutions under section 303 of the Act for the removal of a director before the expiration of his period of office and under section 391 of the Act for the removal of an auditor before the expiration period of his period of office shall only be considered by the Company in general meeting. Regulation 53 in Table A shall be read and construed accordingly.
- 8.5 A member present at a meeting by proxy shall be entitled to speak at the meeting. Regulation 54 in Table A shall be modified accordingly.
- 8.6 Unless resolved by ordinary resolution that regulation 62 in Table A shall apply without modification, the instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may be deposited at the place specified in regulation 62 in Table A up to the commencement of the meeting or (in any case where a poll is taken otherwise than at the meeting) of the taking of the poll or may be handed to the chairman of the meeting prior to the commencement of the business of the meeting.

## **9. APPOINTMENT OF DIRECTORS**

- 9.1 Regulation 64 in Table A shall not apply to the Company.
- 9.2 The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall be no maximum number of directors and the minimum number of directors shall be two.
- 9.3 The Board shall appoint a Managing Director who shall be responsible for the day to day management of the Company. The Managing Director shall have the powers given to the Managing Director by the Board.
- 9.4 The board of directors of the Company shall be comprised initially of six voting directors. Each shareholder holding 15 per cent. or more of the total shares in issue, or members of a Group individually and/or together holding 15 per cent. or more of the shares shall be entitled to nominate, remove or replace one person as a director of the Company and in addition any shareholder holding 25 per cent. or more of the total shares in issue, or members of a Group individually and/or together holding 25 per cent. or more of the shares, shall be entitled to nominate, remove or replace a second director of the Company. A shareholder entitled to appoint or remove a director shall exercise the right of appointment or removal by notice in writing served on the Company provided that any such appointment shall only become effective upon

receipt by the Company of a Form 288a signed by the proposed director consenting to his appointment, and such director agreeing to any reasonable confidentiality obligations required by the Company.

9.5 Notwithstanding the provisions of Article 9.4 each of the Initial Shareholders shall at all times be entitled to appoint two directors to the Company so long as it continues to hold at least 15% of the issued share capital of the Company and shall be entitled to appoint one director to the Company so long as it continues to hold at least 10 per cent. of the issued share capital of the Company.

9.6 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) in Table A shall not apply to the Company.

## **10. POWERS OF THE BOARD OF DIRECTORS**

10.1 The directors may exercise all the powers of the Company to borrow money upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party. Any borrowing or raising of monies by the Company of an amount over £10,000 (which shall include the entering into of any finance lease but exclude normal trade credit) shall require the prior unanimous written consent of the shareholders.

10.2 Any expenditure by the Company shall be authorised by at least 2 directors provided that where such expenditure is being made to a shareholder or any company within the shareholder's Group, neither of the authorising directors may be a director nominated by such a shareholder.

## **11. ALTERNATE DIRECTORS**

11.1 Each director shall be entitled by notice in writing taking immediate effect upon delivery of the same to the registered office or the Company to appoint (and remove) one alternate director and regulations 65 and 68 shall be amended accordingly. An alternate shall not be entitled to vote at or attend any meeting of the board of directors when the director appointing him is present.

11.2 Unless otherwise determined by the Company in general meeting by ordinary resolution an alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of regulation 66 in Table A shall be modified accordingly.

11.3 A director, or any such other person as is mentioned in regulation 65 in Table A, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to the number of votes held by each director (as allotted to that director in accordance with Article 12.3) represented by him below in addition to his own votes

(if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

## 12. GRATUITIES AND PENSIONS

12.1 The directors may exercise the powers of the Company conferred by its Memorandum of Association in relation to the payment of pensions, gratuities and other benefits and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

12.2 Regulation 87 in Table A shall not apply to the Company.

## 13. PROCEEDINGS OF DIRECTORS

13.1 A chairman of the Board shall be appointed by unanimous decision of the shareholders and regulation 91 of Table A shall be amended accordingly.

13.2 The chairman of the Board shall not be entitled to vote (nor shall he be entitled to a casting vote) at any meeting of the Board and regulation 88 shall be amended accordingly.

13.3 On any vote of the Board, the voting rights of each director shall be weighted so that the directors appointed by a single shareholder or shareholders in the same Group cast collectively the number of votes equivalent to the total number of shares held by the shareholder or Group which nominated that director.

13.4 Each shareholder agrees that, in relation to any agreement relating to the business of the Company to which a shareholder (the "**Relevant Shareholder**") or a member of the Relevant Shareholder's Group is a party or proposed party (a "**Related Party Agreement**"), the acts of the Company relating to:-

- (a) the entry into, variation of and exercise of termination rights under or in connection with any such Related Party Agreement; and
- (b) all matters relating to any disputes or potential disputes in connection with any such Related Party Agreement or relating to the replacement of a defaulting party (if such party is a Relevant Shareholder or a member of the Relevant Shareholder's Group) including, without limitation, the selection of an alternative party and the negotiation and entry into of a replacement contract and the management of such contract;

shall be dealt with by the other directors and the directors nominated by the Relevant Shareholder shall be excluded from all decisions relating thereto, shall not be entitled to exercise any votes on any resolutions proposed in connection therewith and shall not be entitled to receive any information containing or referring to legal advice received by the Company in connection therewith (provided that the directors nominated by the Relevant Shareholder shall, unless the other shareholders unanimously decide otherwise, be permitted to attend, count towards the quorum and speak at any meeting of the directors held to consider matters contemplated by this Article). Any action of the Company relating to the matters outlined in Articles

13.4(a) and (b) above shall first require a vote in favour by holders of 100 per cent. of the voting rights exercisable by the directors other than the directors nominated by the Relevant Shareholder.

- 13.5 The directors appointed, by the shareholders other than the Relevant Shareholder shall have full and exclusive authority to authorise and require the Company to enter into any such Related Party Agreement as is referred to in Article 13.4 above and to authorise and require that the Company exercise any rights in connection with any such Related Party Agreement on behalf of the Company (including, without limitation, to prosecute, negotiate, litigate and settle any claim arising out of a breach or to exercise any right of termination arising out of a breach).
- 13.6 Subject to Article 13.4 above a director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
- 13.7 Each director shall comply with his obligations to disclose his interest in contracts under section 317 of the Act.
- 13.8 Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company.
- 13.9 The quorum for any meeting of the Board shall, subject to Article 13.4, include at least one director of each shareholder that has appointed a director in accordance with Articles 9.4 and/or 9.5 (or his/her alternate) provided that any director shall have the right to waive his/her entitlement to attend and vote at any meeting of the Board by giving written notice thereof to the Board and in those circumstances the absence of that director at the relevant meeting of the Board shall not invalidate the quorum. If within half an hour from the time appointed for any meeting of the Board a quorum is not present the meeting shall stand adjourned to a specified time and place (which shall not be earlier than two Business Days after the date originally fixed for the meeting) and the quorum for such adjourned meeting will be any two directors (or their alternates). If at any adjourned meeting two such directors (or alternates) are not present within half an hour from the time appointed for the adjourned meeting (or such longer interval as the Chairman of the meeting may think fit to allow) the meeting shall be dissolved. No business shall be transacted at any meeting of the Board unless a quorum is present throughout the time that the relevant business is being considered.
- 13.10 Regulation 89 of Table A shall not apply to the Company.
- 13.11 Meetings of the Board shall take place on being requested by any one or more of the directors but in any event at least twice in each calendar year and shall be held in either London or by telephone conference call or by any other method as may be agreed from time to time by all the directors. Notice of all meetings of the Board shall be sent to each director in the manner referred to in Article 15 below (or to such other address or facsimile number provided by a director in writing to the Company for such

purpose) at least 14 clear days prior to the dates specified in the notice of meeting unless otherwise agreed by all the directors in writing in relation to a specific notice.

- 13.12 Any director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other, and any director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

14. **THE SEAL**

- 14.1 If the Company has a seal it shall only be used with the authority of the directors or of a committee of 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 second director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 in Table A shall not apply to the Company.

- 14.2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

15. **NOTICES**

- 15.1 All notices given hereunder shall either be delivered by hand or sent by post or facsimile transmission to the addresses notified to the Company, and regulations 111 to 116 of Table A shall be amended accordingly. A notice shall be deemed to have been served as follows:-

- (a) if delivered by hand, at the time of delivery;
- (b) if posted, at the expiration of three Business Days after the envelope containing the same was delivered into the custody of the postal authorities;
- (c) if communicated by facsimile, at the time of transmission;

provided that where, in the case of delivery by hand or transmission by facsimile, such delivery or transmission occurs after 6.00 p.m. on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 9.00 a.m. on the next following Business Day. References to time in this clause are to local time in the country of the addressee and regulation 115 of Table A shall be amended accordingly.

- 15.2 In proving such service it shall be sufficient to prove that the envelope containing such notice was properly addressed and delivered either to the address shown thereon or into the custody of the postal authorities as a pre-paid first class letter, or that the facsimile transmission was made after obtaining in person or by telephone appropriate evidence of the capacity of the addressee to receive the same, as the case may be.

16. **INDEMNITY**

- 16.1 The directors shall have power to purchase and maintain for any director or officer of the Company insurance against any such liability as is referred to in section 310(1) of the Act.
- 16.2 Regulation 118 in Table A shall not apply to the Company.

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Name and address of Subscriber

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1. Instant Companies Limited  
1 Mitchell Lane  
Bristol BS1 6BU

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Dated 26 April 2002



METALS UK LIMITED

# MEMORANDUM AND ARTICLES OF ASSOCIATION

Incorporated on 18 September 2002

Company Number 04537901

