

Company Number SC109038

The Companies Acts 1985 and 1989

Company Limited by Shares

Written Resolutions

Of

Electro-flow Controls Limited

We, the undersigned, being all the Members of the above Company entitled at the date of the Resolutions following to attend and vote at General Meetings do hereby agreed that the Resolutions following shall have effect as Special Resolution as if passed by the Company in General Meeting namely:-

The Articles of Association of the Company shall be amended by the insertion of a new Article 14 as follows:-

- “14(a) A member (or other person entitled to transfer the shares registered in the name of a member) may at any time transfer all or any shares
- (i) to a privileged relation (as hereinafter defined) of such member; or
 - (ii) to trustees to be held upon family trusts (as hereinafter defined); or
 - (iii) in the case of a corporate member to any other body corporate which is the holding company of the member or a subsidiary of the member or of its holding company, provided that in the event that any company to whom such shares are transferred ceases to be a holding company or subsidiary as aforesaid such shares shall be transferred back to the company which transferred them or to any other company falling within the required relationship.
 - (iv) in the case of a corporate member which holds shares as a nominee or on trust, to any other nominee for the same scheme or schemes, provided that in the event that a nominee or trustee to whom such shares are transferred ceases to be a nominee or trustee such share shall be transferred back to the member which transferred them or to any other person falling within the required relationship.
 - (v) to a nominee of the member or, where the member is a nominee for any other person, to that person or to another nominee for him provided that in any such case the transferor certifies to the Company that no beneficial interest in the share passes by reason of the transfer.
- (b) No transfer such as is referred to in paragraph (a) above may be made if the intended transferee or any of the intended transferees shall be a minor or a bankrupt.

- (c) For the purposes of the foregoing paragraph (a) the expression 'member' shall not include a trustee holding shares upon family trusts as hereinafter defined but where shares are held by such trustees:
- (i) such shares may on any change of trustee be transferred to the trustees for the time being;
 - (ii) such shares may at any time be transferred to any person whom under paragraph (a) hereof the same could have been transferred by the settlor if he had been the holder thereof;
 - (iii) if and whenever any such shares cease to be held upon family trusts (otherwise than in consequence of a transfer authorised under sub-paragraph (ii) of this paragraph) the trustees shall be bound forthwith to give a transfer notice (as hereinafter defined) in respect of the shares in question.
- (d) For the purpose of this Article:
- (i) the words 'privileged relation' shall mean the father or mother of the member, any lineal descendant of such father and mother or any person who is or has been married to such member, such father or mother or to any such lineal descendant or any stepchild or adopted child of the member or of such father or mother or of any such lineal descendant;
 - (ii) the expression 'family trusts' shall, in relation to any member, mean trusts (whether arising under a settlement *inter vivos* or a testamentary disposition by whomsoever made or on an intestacy) for the benefit of the member or any such privileged relation or privileged relations under which no powers of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustees as trustees of the member concerned or a privileged relation of such member.

Except in the case of a transfer of shares expressly authorised by the preceding paragraphs (a) to (d) inclusive, the right to transfer shares in the Company shall be subject to the following restrictions namely:

- (A) The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer which would otherwise be permitted under the succeeding provisions of this Article if it is a transfer:
- (i) of a share on which the Company has a lien;
 - (ii) of a share (not being a fully paid share) to a person of whom they shall not approve;
 - (iii) of a share (whether or not it is fully paid) made pursuant to paragraph (G) below.

Regulation 24 in Table A shall not apply to the Company.

- (B) Any person (hereinafter called 'the proposing transferor') proposing to transfer any shares shall give notice in writing (hereinafter called 'the transfer notice') to the

Company that he desires to transfer the same and specifying the price per share which in his opinion constitutes the fair value thereof. The transfer notice shall constitute the Company the agents of the proposing transferor for the sale of all (but not some of) the shares comprised in the transfer notice to any member or members willing to purchase the same (hereinafter called 'the purchasing member') at the price specified therein or at the fair value certified in accordance with paragraph (D) below (whichever shall be the lower). A transfer notice shall not be revocable except with the sanction of the directors.

- (C) The shares comprised in any transfer notice shall be offered to the members (other than the proposing transferor) as nearly as may be in proportion to the number of shares held by them respectively. Such offer shall be made by notice in writing (hereinafter called 'the offer notice') within seven days after the receipt by the Company of the transfer notice. The offer notice shall state the price per share specified in the transfer notice and shall limit the time in which the offer may be accepted, not being less than 21 days nor more than 42 days after the date of the offer notice, provided that if a certificate of fair value is requested under paragraph (D) below the offer shall remain open for acceptance for a period of 14 days after the date on which notice of the fair value certified in accordance with that paragraph shall have been given by the Company to the members or until the expiry of the period specified in the offer notice whichever is the later. For the purpose of this Article an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company. The offer notice shall further invite each member to state in his reply the number of additional shares (if any) in excess of his proportion which he desires to purchase and if all the members do not accept the offer in respect of their respective proportions in full the shares not so accepted shall be used to satisfy the claims for additional shares as nearly as may be in proportion to the number of shares already held by them respectively, provided that no member shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable without fractions of being offered to the members in proportion to their existing holdings, the same shall be offered to the members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the directors may think fit.
- (D) Any member may, not later than eight days after the date of the offer notice, serve on the Company a notice in writing requesting that the auditor for the time being of the Company (or at the discretion of the auditor, or if no auditor is appointed to the Company, a person nominated by the President for the time being of the Institute of Chartered Accountants in Scotland) certify in writing the sum which in his opinion represents the fair value of the shares comprised in the transfer notice as at the date of the transfer notice and for the purpose of this Article reference to the auditor shall include any person so nominated. Upon receipt of such notice the Company shall instruct the auditor to certify as aforesaid and the costs of such valuation shall be apportioned among the proposing transferor and the purchasing members or borne by any one or more of them as the auditor in his absolute discretion shall decide. In certifying the fair value as aforesaid the auditor shall be considered to be acting as an expert and not as an arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Upon receipt of the certificate of the auditor, the Company shall by notice in

writing inform all members of the fair value of each share and of the price per share (being the lower of the price specified in the transfer notice and the fair value of each share) at which the shares comprised in the transfer notice are offered for sale. For the purpose of this Article the fair value of each share comprised in the transfer notice shall be the sum certified as aforesaid divided by the number of shares comprised in the transfer notice.

- (E) If purchasing members shall be found for all the shares comprised in the transfer notice within the appropriate period specified in paragraph (C) above, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing (hereinafter called 'the sale notice') to the proposing transferor specifying the purchasing members and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasing members.
- (F) If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such shares in favour of the purchasing member. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member. The Company shall pay the purchase money into a separate bank account.
- (G) If the Company shall not give a sale notice to the proposing transferor within the time specified in paragraph (E) above, he shall, during the period of 30 days next following the expiry of the time so specified, be at liberty subject to paragraph (A) above to transfer all or any of the shares comprised in the transfer notice to any person or persons.
- (H) Regulations 29 to 31 of Table A shall apply subject to the following provisions:
 - (i) Any person (other than as defined in paragraph (a)(i) to (v) inclusive above) becoming entitled to a share in consequence of the death or bankruptcy of a member shall give a transfer notice before he elects in respect of any share to be registered himself or to execute a transfer.
 - (ii) If a person so becoming entitled shall not have given a transfer notice in respect of any share within six months of the death or bankruptcy, the directors may at any time thereafter upon resolution passed by them give notice requiring such person within 30 days of such notice to give a transfer notice in respect of all the shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such 30 days be deemed to have given a transfer notice pursuant to paragraph (B) of this Article relating to those shares in respect of which he has still not done so.
 - (iii) Where a transfer notice is given or deemed to be given under this paragraph (H) and no price per share is specified therein the transfer notice shall be

deemed to specify the sum which shall, on the application of the directors, be certified in writing by the auditors in accordance with paragraph (D) of this Article as the fair value thereof."

The existing Article 14 shall be deleted.

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John C. A. Wheeler

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Edward J. F. Littlechild

..... 5-1-2000
Date

..... 5 January, 2000
Date