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THE COMPANIES ACT 1985

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A PRIVATE COMPANY LIMITED BY SHARES

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ALTERED  
MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

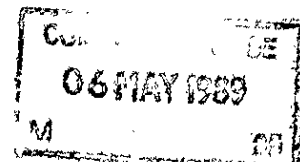
SCHWITZER (EUROPE) LIMITED

(Incorporating all alterations made on or before  
28th March 1989)

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(Incorporated on 10th February 1989)

LOVELL WHITE DURRANT  
21, HOLBORN VIADUCT  
LONDON EC1A 2DY.



THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

ALTERED  
MEMORANDUM OF ASSOCIATION

OF

SCHWITZER (EUROPE) LIMITED\*

1. The company's name is SCHWITZER (EUROPE) LIMITED.\*

2. The company's registered office is to be situated in England and Wales.

\*\* 3. The company's objects are:-

- (a) To carry on all or any kind of engineering business and the business of designers, manufacturers, importers, exporters, consultants for and dealers of and in all types and descriptions of plant, machinery, equipment, apparatus, buildings, fixtures, fittings and tools for the erection, conversion, installation and assembly of steel work, metal work of all kinds, buildings and other structures of any and every kind.
- (b) To buy, sell, hire, manufacture, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles of all kinds which are capable of being used for the purposes of the above mentioned businesses or any

\* The Company changed its name by Special Resolution passed on 13th March 1989 from Three Hundred and Forty-Sixth Shelf Trading Company Limited to Schwitzer (Europe) Limited. Certificate of Incorporation on Change of Name was issued on 22nd March 1989.

\*\* As amended by Special Resolution passed on 28th March 1989.

of them or likely to be used by the customers of any such businesses.

- (c) To carry on any other business, whether manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with the above businesses or any of them, or calculated, directly or indirectly, to further or facilitate the objects of the Company, or to enhance the value of or render more profitable any of the Company's property.
- (d) To adopt such means of making known the businesses or any of them or the products of the Company as may seem expedient, and in particular by advertising in the Press, by circulars, by purchase and exhibition of works of art or interest, by publication in books and periodicals, and by granting prizes, rewards and donations, and to carry on and conduct prize and competition schemes or any scheme or arrangement of any kind, either alone or in conjunction with any other person, firm or company, whereby the above businesses or any of them may be promoted or developed, or whereby the Company's products may be more extensively advertised and made known.
- (e) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purpose of or in connection with the Company's business or any branch or department thereof.
- (f) To enter into any arrangement with any governments or authorities, supreme, municipal, local or otherwise, of any country, and to obtain from any such government or authority all rights, concessions and privileges that may seem conducive to the Company's objects or any of them.
- (g) To borrow or raise or secure the payment of money for the purposes of or in connection with the Company's business.
- (h) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to

issue at par or at a premium or discount, and for such consideration, and with such rights, powers and privileges as may be thought fit, debentures, mortgage debentures or debenture stock, payable to bearer or otherwise, and either permanent or redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance.

- (i) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company or in whose businesses or undertakings the Company is interested, whether directly or indirectly.
- (j) To receive money on deposit or loan upon such terms as the Company may approve, and to guarantee the obligations and contracts of any person, firm or company.
- (k) To make advances to such persons with or without security and upon such terms as may seem expedient.
- (l) To enter into guarantees and contracts of indemnity of all kinds with any person, firm or company (including without prejudice to the generality of the foregoing any Holding Company or Subsidiary Company (as the same are defined by Section 736 of the Companies Act 1985) of, or any other company associated in any way with the Company), either with or without the Company receiving any consideration or advantage, direct or indirect, from giving any such guarantee or indemnity and so as to be an independent object of the Company to give indemnities of all kinds and to guarantee the performance of the obligations of others including the payment of capital or principal together with any premium of and any dividends or interest on or other payment in respect of loans, credits, stocks, shares, or securities or other obligations of any nature whatsoever and without limiting the generality of the foregoing obligations for the repayment of money and/or discharge of liabilities both present and future, actual or contingent and insofar as the same is not prohibited by law, obligations and liabilities incurred in connection with or for the purpose of the acquisition of shares in the Company or in

any company which is for the time being the Company's Holding Company as defined by Section 736 of the Companies Act 1985 due, owing or incurred to bankers or any other person of any company, firm or person, and in particular, (but not by way of limitation) of the Company's Holding Company or any company which is contemplated to become the Company's Holding Company or a subsidiary, as defined by Section 736 of the Companies Act 1985 of the Company or of the Company's Holding Company, or otherwise associated with the Company in business or of any company, firm or person which the directors of the Company shall think appropriate and to create mortgages, charges or liens upon all or any of the property or assets of the Company (both present and future) including its uncalled capital in support of such guarantees or otherwise as security for any such obligations and liabilities of others.

- (m) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation schemes or funds for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested, and the wives, widows, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
- (n) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.

- (o) To invest and deal with the moneys of the Company not immediately required for the purposes of the business of the Company in or upon such investments or securities and in such manner as may from time to time be determined.
- (p) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as may seem expedient.
- (q) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as may seem expedient and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (r) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.
- (s) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets or liabilities of or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company.

- (t) To purchase or otherwise acquire and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company carrying on business which this Company is authorised to carry on, or the carrying on of which is calculated to benefit this Company or to advance its interests, or possessed of any property suitable for the purpose of the Company.
- (u) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as may be deemed fit.
- (v) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any other such company as aforesaid with or without winding-up or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any other such company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.
- (w) To pay out of the funds of the Company all expenses which the Company may lawfully pay of or incidental to the formation, registration and advertising of or raising money for the Company and the issue of its capital including brokerage and commissions for obtaining applications for or taking, placing or under-writing shares, debentures or debenture stock, and to apply at the cost of the Company to Parliament for any extension of the Company's powers.
- (x) To distribute among the Members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (y) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.

- (z) To do all such other things as are incidental or conducive to the above objects or any of them.

The objects specified in each of the paragraphs of this Clause shall not, except where the context expressly so requires, be in any way limited or restricted by the terms of any other paragraph and shall be construed as separate, distinct and independent objects capable of being performed and carried out separately, distinctly and independently of each other.

4. The liability of the members is limited.

5. The company's share capital is £100 divided into 100 shares of £1 each.\*

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\* By an Ordinary Resolution of the Company passed on 28th March 1982 the Authorized Share Capital of the Company was increased to £20,000,000 by the creation of 19,999,900 Ordinary Shares of £1 each.



## THE COMPANIES ACT 1985

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A PRIVATE COMPANY LIMITED BY SHARES

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## ARTICLES OF ASSOCIATION

OF

SCHWITZER (EUROPE) LIMITED\*

REGULATIONS OF THE COMPANY

1. The articles comprise these Articles and, save insofar as it is modified by these Articles, Table A (which expression means that Table as prescribed by regulations made pursuant to the Companies Act 1985 and in force on 1st August 1985).

2. Regulations 8, 24, 54, 60-62 (inclusive), 65-69 (inclusive), 73-80 (inclusive), 87, 90, 100 and 118 in Table A do not apply to the company.

SHARE CAPITAL

3. The share capital of the company is £100 divided into 100 shares of £1 each.\*\*

4. (1) Subject to the provisions of paragraph (2) of this Article the directors are hereby authorised to exercise the powers of the company to offer, allot, agree to allot, grant any right to subscribe for, or to convert any security into, and otherwise dispose of any of the shares in the capital

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\*\* By an Ordinary Resolution of the Company passed on 28th March 1989 the Authorised Share Capital of the Company was increased to £20,000,000 by the creation of 19,999,900 Ordinary Shares of £1 each.

of the company for the time being unissued to such persons (including any directors) at such times and generally on such terms and conditions as they think proper but subject to any direction to the contrary given by the company in general meeting and to the terms on which any shares are created or issued and provided that no shares shall be issued at a discount contrary to the Act. Section 89(1) of the Act is hereby excluded.

(2) The directors may not in the exercise of the authority conferred on them by paragraph (1) of this Article allot relevant securities if

- (a) the amount of such allotment, added to the amount of relevant securities previously allotted pursuant to such authority, would exceed £98; or
- (b) a period of five years has elapsed from the date of incorporation of the company and the allotment is not made pursuant to an offer or agreement made by the company during such period.

(3) The authority of the directors conferred on them by paragraph (1) of this Article to allot relevant securities may be varied revoked or renewed by ordinary resolution of the company in accordance with the provisions of the Act.

#### VARIATION OF RIGHTS

5. The rights attached to any existing shares shall not (unless otherwise expressly provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto.

6. In Regulation 3 in Table A there shall be inserted after the words "provided by the articles" the following words, namely: "or by special resolution".

#### SHARE CERTIFICATES

7. In Regulation 6 in Table A there shall be inserted after the word "seal" the following words, namely: "or the official seal of the company".

#### LIEN

8. The company shall have a first and paramount lien on all the shares registered in the name of any member (whether solely or jointly with others) for all moneys due to the company from him or his

estate, whether solely or jointly with any other person (whether a member or not) and whether such moneys are presently payable or not. The company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The directors may at any time resolve that any share shall be exempt, wholly or partly, from the provisions of this Article.

#### CALLS ON SHARES

9. The directors may accept from any member the whole or any part of the amount remaining unpaid on any share held by him notwithstanding that no part of that amount has been called up.

#### TRANSFER OF SHARES

10. The directors may, in their absolute discretion and without assigning any reason therefor, refuse to register the transfer of a share whether or not it is fully paid.

#### TRANSMISSION OF SHARES

11. There shall be inserted at the end of Regulation 31 in Table A the following proviso, namely: "provided always that the directors may at any time give notice requiring any such person to elect either to become or to have another person registered as the holder of the share and if the requirements of the notice are not complied with within ninety days the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with".

#### PROCEEDINGS AT GENERAL MEETINGS

12. In Regulation 41 in Table A there shall be inserted after the words "the directors may determine" the following words, namely: "and if at the adjourned meeting such a quorum is not present within half an hour from the time appointed for the meeting, one member present in person or by proxy or (being a corporation) by its duly authorised representative shall be a quorum".

13. A poll may be demanded by any member present in person or by proxy or (being a corporation) by its duly authorised representative. Regulation 46 in Table A shall be construed accordingly.

VOTES OF MEMBERS

14. Subject to any rights or restrictions as to voting attached to any shares by the terms on which they were issued or by or in accordance with the articles or otherwise, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by its duly authorised representative not being himself a member entitled to vote, shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by its duly authorised representative shall have one vote for every share of which he is the holder.

15. The instrument appointing a proxy shall be in writing in any usual or common form and shall (except in the case of an appointment by telex or a facsimile copy of an appointment otherwise complying with the requirements of this Article) be executed by the appointor or his attorney duly authorised in writing or in such other form as the directors may approve. A proxy need not be a member of the company.

16. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, shall be deposited or received at the office (or at such other place in the United Kingdom as is specified for that purpose in any instrument of proxy sent by the company in relation to the meeting) not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or handed to the chairman of the meeting or adjourned meeting, and, in default, the instrument of proxy shall be invalid.

ALTERNATE DIRECTORS

17. (1) A director may by written notice signed by him (except in the case of an appointment by telex or a facsimile copy of an appointment otherwise complying with the requirements of this Article) or in such other manner as the directors may approve appoint another director or any other person to be and act as his alternate director. Any such appointment of a person who is not a director shall not be effective unless and until such appointment is approved (i) by a resolution of the directors, or (ii) by a majority of the directors attending for the purposes of the meeting at which the alternate director proposes to be present as such.

(2) Every alternate director shall (subject to his giving to the company an address within the United Kingdom at which notices may be given to him) be entitled to notice of meetings of the directors or of committees of directors, and to attend and vote as a director at any such meeting at which the director appointing him is entitled to attend and vote but is not personally present and generally at such meeting to exercise all the powers, rights, duties and authorities of the director appointing him. Every alternate director shall also be entitled, in the absence from the United Kingdom of the director appointing him, to sign on his behalf a resolution in writing of the directors.

(3) An alternate director shall neither be an officer of the company nor entitled to any remuneration from the company for acting as an alternate director.

(4) A director may by written notice signed by him (except in the case of a revocation by telex or a facsimile copy of a revocation otherwise complying with the requirements of this Article) and deposited or received at the office or in such other manner as the directors may approve at any time revoke the appointment of an alternate director appointed by him.

(5) If a director shall cease to hold the office of director for any reason, the appointment of his alternate director shall thereupon automatically cease.

#### DELEGATION OF DIRECTORS' POWERS

18. The following words shall be added at the end of the first sentence of Regulation 72 in Table A, namely: "and may also appoint to any such committee persons who are not directors provided that the chairman and a majority of such committee shall be directors".

#### RETIREMENT, APPOINTMENT AND REMOVAL OF DIRECTORS

19. (1) A member or members holding a majority in nominal value of the issued shares for the time being conferring the right to vote at general meetings of the company shall have power from time to time and at any time to appoint any person or persons as a director or directors and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by an instrument which shall be in writing and shall (except in the case of an

appointment or removal by telex or a facsimile copy of an appointment or removal otherwise complying with the requirements of this Article) be executed by the member or members making the same or by their duly authorised attorneys or in such other manner as the directors may approve, and shall take effect upon such appointment or removal being deposited or received at the office or otherwise communicated to the company at the office or being handed or otherwise communicated to the chairman of a meeting of the directors at which a quorum is present.

(2) Without prejudice to paragraph (1) of this Article the company may by ordinary resolution appoint any person to be a director either to fill a vacancy or as an additional director.

#### DISQUALIFICATION AND REMOVAL OF DIRECTORS

20. In Regulation 81 in Table A there shall be inserted

- (a) after the word "company" in paragraph (d) the following words, namely: ", provided that such action shall be without prejudice to the terms of and to any rights of the company under any contract between the director and the company"; and
- (b) after the word "period" in paragraph (e) the following words, namely: "and his alternate director, if any, shall not during that period have attended in his stead".

#### REMUNERATION OF DIRECTORS

21. The following sentence shall be added at the end of Regulation 82 in Table A, namely: "Any director who serves on any committee, or who devotes special attention to the business of the company, or who otherwise performs services which in the opinion of the directors are in addition to or outside the scope of the ordinary duties of a director (which services shall include, without limitation, visiting or residing abroad in connection with the company's affairs), may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine".

#### DIRECTORS' APPOINTMENTS AND INTERESTS

22. In Regulation 84 in Table A there shall be substituted for the words "shall not be subject to retirement by rotation" the following words, namely:

"shall be subject to the same provisions as to resignation and removal as other directors of the company".

DIRECTORS' AND EMPLOYEES' GRATUITIES AND PENSIONS

23. The directors may:-

- (a) establish and maintain, or procure the establishment and maintenance of, any share option or share incentive or profit sharing schemes or trusts or any non-contributory or contributory pension or superannuation schemes or funds for the benefit of, and may make or give or procure the making or giving of loans, donations, gratuities, pensions, allowances or emoluments (whether in money or money's-worth) to, or to trustees on behalf of, any persons who are or were at any time in the employment or service of the company, or of any company which is a subsidiary of the company, or is allied to or associated with the company or with any such subsidiary, or who are or were at any time directors or officers of the company or of any such other company as aforesaid, and to the wives, husbands, widows, widowers, families and dependants of any such persons;
- (b) establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the company, or of any such other company as aforesaid, or of any such persons as aforesaid;
- (c) make payments for or towards policies of assurance on the lives of any such persons and policies of insurance of or in respect of any such persons (including insurance against their negligence) as aforesaid;
- (d) pay, subscribe or guarantee money to or for any charitable or benevolent objects, or for any exhibition, or for any political, public, general or useful object; and
- (e) do any of the above things either alone or in conjunction with any such other company as aforesaid;

Subject always, if the Act shall so require, to particulars with respect to the proposed payment being disclosed to the members of the company and to the payment being approved by the company, any director

shall be entitled to participate in and retain for his own benefit any such loan, donation, gratuity, pension, allowance or emolument.

#### PROCEEDINGS OF DIRECTORS

24. In Regulation 88 in Table A there shall be substituted for the third sentence the following sentences, namely: "All directors shall be given notice of every meeting of the directors provided that it shall not be necessary to give notice of a meeting to any director who is absent from the United Kingdom. Any director or alternate director may by notice to the company waive his right to receive notice of the meeting and the presence of any director or alternate director at the commencement of a meeting shall constitute such waiver by him".

25. The following words shall be substituted for the final sentence of Regulation 89 in Table A, namely: "A person who is the alternate director of more than one director shall be counted separately in respect of each of them who is not present, but no less than two individuals shall constitute a quorum".

26. In Regulation 93 in Table A there shall be inserted after the words "signed by" in the first line the following words, namely: "or on behalf of" and the words "entitled to receive notice of a meeting of directors or of a committee of directors" shall be deleted.

27. Subject to any requisite declaration of interest in accordance with the provisions of the Act and (if applicable) Regulation 85 in Table A having been made by him a director may vote as a director in regard to any transaction or arrangement in which he is interested, or upon any matter arising therefrom and Regulation 94 in Table A shall be construed subject to this provision.

28. In Regulation 97 in Table A:-

- (a) there shall be inserted after the words "the appointment" the following words, namely: "or the terms of appointment"; and
- (b) the following words shall be deleted, namely: "and be counted in the quorum" and there shall be inserted after the words "his own appointment" the following words, namely: "and shall be counted in the quorum in respect of each resolution including that concerning his own appointment".



MINUTES

29. The directors shall cause minutes to be made in books kept for the purpose-

- (a) of all appointments of officers and alternate directors made by the directors; and
- (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, of the directors, and of committees of directors, including the names of the persons present at each such meeting.

THE SEAL

30. The company is authorised pursuant to Section 39 of the Act for so long as its objects require or comprise the transaction of business in foreign countries to have an official seal for use in any territory, district, or place elsewhere than in the United Kingdom.

INDEMNITY

31. Subject to the provisions of the Act, every director, other officer or auditor of the company or person acting as an alternate director shall be entitled to be indemnified out of the assets of the company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of his duties to the company or otherwise in relation thereto.

SCHEDULE 2

ORDINARY RESOLUTION

Company Limited by Shares

Ordinary Resolution  
of  
Household International (UK) Limited

Pursuant to Article 56 of the Articles of Association, we, being all the members for the time being of Household International (UK) Limited entitled to receive notice of general meetings, hereby pass the following resolution as an Ordinary Resolution:-

Ordinary Resolution

That following the recommendation of the Directors of the Company:

- (i) the Company declare a dividend payable to all of the ordinary shareholders appearing in the Register of Members on April 1989 equal to the aggregate value of:
  - (a) the assets and undertaking of the Company's Schwitzer turbo charger and cooling systems business together with its related liabilities; and
  - (b) all the Company's shareholding in Household Manufacturing Limited; and
- (ii) payment of the said dividend be satisfied by transferring:
  - (a) the assets, undertaking and liabilities mentioned in (i)(a) above to Schwitzer (Europe) Limited; and

(b) the shareholding mentioned in (1)(b) above to Eljer Industries Limited.

Dated this

day of April 1989

.....  
B.H. Weston  
for and on behalf of  
Household Finance Corporation

.....  
D.D. Wesselink  
for and on behalf of  
Household International Inc.

SCHEDULE 3

Part 1

The following terms shall apply to the transfer of the Schwitzer Business by HIUK (referred to below as the Transferor) to SEL (referred to below as the Transferee):

1. DEFINITIONS

In this Schedule, the following words shall have the following meanings respectively:

|                  |  |
|------------------|--|
| "Assets"         | means all of the undertaking and assets of the Transferor which relate exclusively to the Business of any nature whatsoever including, without limitation, the benefit of the Contracts and the Property;                              |
| "Business"       | means the whole of the Transferor's turbo charger and cooling systems business, conducted on behalf of the Transferor as the Schwitzer Division;   |
| "Consideration"  | means the consideration for the Assets determined pursuant to Clause 3;  |
| "Contracts"      | means all contracts, engagements, obligations and arrangements of, and rights, benefits and licences which relate exclusively to the Business of any nature whatsoever, which remain to be performed or enjoyed at the Effective Date; |
| "Effective Date" | means close of business on 11 <sup>th</sup> April 1988;  |
| "Employees"      | means those persons employed by the Transferor in the Business at Completion;  |

- "Liabilities" means all the debts, liabilities and obligations of any nature whatsoever of the Transferor which relate exclusively to the Business including, without limitation any obligations under the Contracts;
- "the Properties" means the real properties described in Part II of this Schedule;
- "Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 1981.

#### SALE AND PURCHASE

2. The Transferor agrees to sell and the Transferee agrees to purchase the Assets as a going concern with effect from the Effective Date on the terms of this Schedule.

#### CONSIDERATION

- 3(1). The Consideration for the transfer of the Assets shall be satisfied by:
- (a) the assumption by the Transferee of the Liabilities pursuant to Clause 4; and
  - (b) the issue to the holders of the shares in the Transferor appearing in the Register of Members of the Transferor on 12<sup>th</sup> April 1989 of 10,190,000 £1 ordinary shares in the share capital of the Transferee (in such proportion that is as near as is practically possible pro-rata to those members holdings of their shares in the Transferor).
- (2) In connection with the shares to be issued pursuant to sub-clause 3(1)(b) of this Schedule, the Transferor represents that so far as it is aware the net book value of the Business is not less than £10,190,000 and that the market value of the Business is not less than that book value.

#### THE LIABILITIES

4. As from the Effective Date the Transferee shall assume, perform and discharge all the Liabilities and become entitled to the benefits of the Transferor under

the Contracts. Pending the consent where necessary of the other contracting parties, the Transferor will assume, perform and discharge the Liabilities on behalf of the Transferee and the Transferor will hold the benefits on trust for the Transferee. The Transferor will (at the expense of the Transferee) at all times give the Transferee reasonable co-operation and assistance in its power to enable the Transferee to enforce the Contracts, provided this shall not oblige the Transferor to devote substantial management time in so doing. The Transferee shall indemnify the Transferor in respect of any loss, cost, liability or expenses resulting from any failure by the Transferee to assume, perform and discharge the obligations under the Contracts.

#### EMPLOYEES

5. (1) Each of the parties agrees that, pursuant to the Transfer Regulations, the contracts of employment of all of the Employees of the Transferor at Completion shall not be terminated but shall continue to have effect as if originally made between the employee and the Transferee.
- (2) Unless otherwise agreed, the Transferor shall notify the Employees of the transfer of the Assets by a notice accompanying the next pay packet of each of the Employees.

#### PENSIONS

6. (1) The Transferor and the Transferee have agreed that subject to the consent of the Trustee of the Household Manufacturing Limited Employee Benefits Scheme ("the HML Scheme") and to any covenants contingent thereon being obtained and subject to such consents as may be required from the Superannuation Funds Office and/or the Occupational Pensions Board such proposals for the reorganisation of the HML Scheme as are set out in Part V of this Schedule (or as modified by separate mutual consent) shall be implemented in the manner set out therein
- (2) If the consents and covenants referred to in (1) above are not obtained then the Transferee undertakes with the Transferor that it will make or procure to be made such alternative pension arrangements in respect of those Employees who were at 31st March 1989 Members of the HML Scheme, such arrangements to be acceptable to the Transferor and the Trustee of the HML Scheme on advice from the Actuary to the HML Scheme

(3) The Transferor and the Transferee have agreed to execute such documents or procure the execution of such documents and do or procure to be done such other things as may be necessary in connection with such reorganisation as is referred to in (1) above or in connection with such alternative pension arrangements as are referred to in (2) above whichever is applicable

#### THE PROPERTIES

7. (1) The Properties are sold subject to the National Conditions of Sale (twentieth edition) insofar as they are not inconsistent with or varied by the terms of this Agreement and are applicable to a sale by private treaty.
- (2) The Transferor shall use reasonable efforts to obtain all necessary consents to the assignment of each of the leasehold Properties to the Transferee, which efforts shall after the Effective Date be at the expense of the Transferee. If in respect of each or any Property any such consents shall not have been received by the Effective Date, the Transferor shall use reasonable endeavours to grant or shall procure the grant to the Transferee of a licence to use and occupy that Property and the Transferee shall indemnify (as primary obligor, and not a surety) the Transferor in respect of all liabilities and obligations incurred and all outgoings paid or payable by the Transferor in respect of any of the Properties, including, without limitation all claims by any landlord of any of the Properties as a result of this Agreement or the licence granted pursuant to this clause.
- (3) The Transferee shall supply such information and references as may reasonably be required of it and if required by the landlord of any of the Properties, shall provide a rent deposit or guarantor to guarantee the observance and performance of the tenants covenants in the leases of each of the Properties.
- (4) The provisions of Part IV of this Schedule shall apply in relation to each of the Properties.

#### INDEMNITY

8. (1) The Transferee shall indemnify the Transferor in respect of all costs, expenses, losses, liabilities and damages incurred by the Transferor in relation to the Business, and which



arise after the Effective Date including, without limitation, any liability that may be incurred by the Transferor as a direct or indirect result of the transaction effected by this Agreement.

(2) The Transferee shall further indemnify the Transferor in respect of all costs, expenses, losses, liabilities and damages incurred as a result of any claim made by Household Manufacturing Limited ("HML") under any of the provisions of the agreement between HML and Transferor dated 31st March 1989 for the purchase of the Business by the Transferor, or under the provisions of the agency agreement between the same parties dated 31st March 1989.

3) The parties agree that the Transferee is not relying upon any representations made by the Transferor and that the Assets are sold on an "as is" basis without the benefit of any express warranty by the Transferor and that any conditions, warranties or other terms or duties that may be implied by statute or otherwise in relation to the Assets or the Business are hereby excluded.

#### COMPLETION

9. (1) Completion of the sale and purchase shall take place on the Effective Date when the Transferor shall deliver to the Transferee
- (i) vacant possession of the Properties;
  - and
  - (ii) all other physical assets agreed to be sold.
- (2) Property and risk in and title to the Assets shall pass to the Transferee on the Effective Date.
- (3) The Transferor shall on or as soon as practicable after Completion deliver to the Transferee all transfers, assignments and novations of the Assets (including the Properties) together with the documents of title to the Assets necessary to give effect to this Agreement.

#### FURTHER ASSURANCE

10. At the expense of the Transferee the Transferor will and will procure (so far as is within its power) any third party as necessary to do such acts and things

and execute such deeds and documents as may be necessary fully and effectively to vest in and assure to the Transferee the Assets.

#### SURVIVAL OF CERTAIN PROVISIONS

11. Insofar as any provision of this Agreement shall not have been performed at Completion it shall survive and remain in full force and effect notwithstanding Completion.

#### VAT

12. (1) The Consideration is exclusive of value added tax which (if chargeable) shall be paid by the Transferee to the Transferor (against the relevant tax invoice or invoices issued by the Transferor) not later than three working days before the date upon which the Transferor is required to account for the same to H.M. Customs & Excise and the Transferor shall give the Transferee not less than 7 Business Days prior written notice of such date.

(2) The parties shall use all reasonable efforts to ensure that the transfer of the Business is treated as a transfer of a business as a going concern for the purposes of Section 33 of the Value Added Tax Act 1983 and Article 12(1) of the Value Added Tax (Special Provisions) Order 1981.

(3) The Transferee shall for a period of not less than 6 years from the Effective Date preserve any VAT records delivered to it by the Transferor, and upon reasonable notice during normal business hours, make them available for inspection by the Transferor or its agents.

#### COSTS AND STAMP DUTY

13. (1) Save as otherwise expressly provided in this Agreement, the parties shall pay their own legal and other professional charges and expenses in connection with the preparation, completion and implementation of this Agreement.

(2) All stamp duty chargeable on the transactions effected by this Agreement and all Land Registry fees and fees for registration of transfers of the Intellectual Property Rights shall be borne by the Transferee.

**ASSIGNMENT**

14. Either party may assign, or otherwise transfer or dispose of its rights and obligations under this Agreement without obtaining the prior written consent of the other party.

PART II  
DESCRIPTION OF PROPERTIES

Section A: The Freehold Property

Land at Roysdale, Euroway, South Bradford, Sierley, Bradford registered at H.M. Land Registry with Title Absolute under title number WYX 95691 and known as Unit 5 Euroway Industrial Estate.

Section B: The Leasehold Properties

Land at Bowling Park Close in the City of Bradford Metropolitan District and known as Units 1 and 2 Bowling Park Close aforesaid

PART III

Section A: The Freehold Property

- (a) The matters contained or referred to in the entries on the Charges Register of Title No. WYX 95691
- (b) The provisions of an Agreement dated 3rd May 1978 and made between English Industrial Estates Corporation (1) and Wallace Murray Ltd. (2) (so far as the same are still subsisting)
- (c) The provisions of an Agreement dated 20th December 1983 and made between English Industrial Estates Corporation (1) and Household Manufacturing Ltd. (2) as varied by an Agreement under seal dated 15th June 1984 and made between the same parties (so far as such provisions are still subsisting)

Section B: The Leasehold Properties

- (a) Lease dated 7th April 1982 and made between S.L.H. Houlston Esq. (1) and Wallace Murray Ltd. (2) (Unit 1)
- (b) Lease dated 27th February 1984 and made between S.L.H. Houlston Esq. (1) and Household Manufacturing Ltd. (2) (Unit 2)

**PART IV**

**1. The Transferor shall sell -**

- (a) The Properties as beneficial owner with vacant possession subject to and with the benefit of:-**

  - (i) all matters registered or capable of registration in the appropriate Register of Local Land Charges;**
  - (ii) the provisions of the Town and Country Planning Acts and all orders, directions and notices whatsoever made thereunder;**
  - (iii) all outgoings affecting the same as from the Effective Date insofar as they are properly the responsibility of the Transferee;**
  - (iv) all rights and other easements now subsisting and capable of benefitting the Properties; and**
- (b) the Freehold Property subject to and with the benefit of the exceptions, reservations, covenants, restrictions, agreements and other matters specified or referred to in Section A Part 2 of Part III of this Schedule;**
- (c) the Leasehold Properties subject to and with the benefit of the exceptions, reservations, covenants, restrictions, agreements and other matters specified or referred to in Section B Part 2 of Part III of this Schedule.**

-23-

**PART V**  
**PENSIONS**

6523m

A summary of the steps involved in the  
reorganization of the  
Household Manufacturing Limited Employee Benefit Scheme

Objectives

- 1 To ensure that, once the Household Manufacturing reorganization has been completed, employees who currently participate in the Household Manufacturing Limited Employee Benefit Scheme (the HML Scheme) will participate in a plan which permits them to continue to accrue benefits on the same basis as at present.
- 2 To ensure that the employees' accrued rights are fully protected, i.e. with adequate asset backing.
- 3 To provide a benefit enhancement by reference to past service.

Implementation

- 1 The HML Scheme to be merged into the H.F.C. Trust Limited Pension and Life Assurance Plan in such a manner which does not precipitate a termination of the HML Scheme. Although the Trustee of the HML Scheme is the company, certain individuals exercise day to day administrative authority with such to the HML Scheme. This proposal requires the co-operation of such individuals who, very properly, are concerned to ensure that the proposal benefits the pension beneficiaries.
- 2 Household Manufacturing Limited to adhere to the H.F.C. Plan on Day 1 (31 March 1989).
- 3 Two new pension plans, the Selkirk Pension Plan (1989) and the Schwitzer Pension Plan (1989), to be established with effect from Day 2 (up to two weeks after Day 1) upon interim documentation and announced in detail to employees.
- 4 Accrued benefits within the H.F.C. Plan to be frozen as at Day 2 (but revalued in accordance with minimum statutory requirements).

For employees then joining the 1989 Plan, benefits under the 1989 Plan will be calculated by reference to service with the old HML Scheme, the merged H.F.C. Plan and the 1989 Plan, with Final Pensionable Salary calculated at the date benefits are determined (retirement, leaving service or death). Such 1989 Plan benefit will be offset by the accrued benefit held within the H.F.C. Plan as at Day 2 (as revalued).

- 5 Employees will have the option to transfer the value of their accrued benefits under the H.F.C. Plan either to the 1989 Plan or to some other pension arrangement (for example a personal pension). This option is available at any time after joining the 1989 Plan.

- 6 Life insurance under the Selkirk and Schwitzer Plans (1989) will be equal to 4 times salary (enhanced from the 3 times salary benefit under the old plan).
- 7 Selkirk and Schwitzer will be required to maintain the 1989 Plans and to fund them at levels at least as good as those under the old plan for a minimum of five years.

#### Net Effect

Employees' accrued benefits will remain as secure as before, but at an enhanced level. In addition, they will know that their employer must provide a plan of the same quality for at least five years; this is something Selkirk and Schwitzer, in common with most other employers in the U.K., do not have to do.

... ..  
... ..

... ..



2352768  
This Agreement is made this 12<sup>th</sup> 1989

BETWEEN:

(1) HOUSEHOLD INTERNATIONAL, INC. of 2700 Sanders Road,  
Prospect Heights, Illinois, 60070, U.S.A. (HII)

(2) HOUSEHOLD INTERNATIONAL (UK) LIMITED (Company No.  
1664481) of North Street, Winkfield, Berkshire, SL4 4TD  
(HIUK)

(3) ELJER INDUSTRIES LIMITED (Company No. 2352768) of  
Bassett House, High Street, Banstead, Surrey SM7 2LZ  
(ELJER).

(4) HOUSEHOLD MANUFACTURING LIMITED (Company No.  
1034378) of 21 Holborn Viaduct, London EC1A 2DY (HML)

#### RECITALS

A) HIUK and ELJER are wholly owned subsidiaries of  
HII

B) HIUK is the beneficial owner holder of all of the  
issued ordinary shares in the capital of HML (the "HML  
shares")

C) In pursuance of a scheme for the reconstruction  
of HIUK, ELJER shall acquire the HML Shares, which form  
part of the undertaking of HIUK, on the terms set out  
in this Agreement.

#### AGREED AS FOLLOWS:

1(a) Immediately upon and subject to the passing of  
the ordinary resolution of HIUK set out in  
Schedule 1 HIUK shall on 12<sup>th</sup> April 1989 transfer its  
~~or procure the transfer by its nominee, Household~~  
~~Manufacturing, Inc. of the HML Shares to ELJER~~  
~~(and its nominee) by execution or procuring the~~  
execution of the stock transfer form attached as  
Schedule 2 @

(b) HII acknowledges that upon such transfer of the  
HML Shares and subject to the completion of the  
other agreement between HII, HIUK and Schwitzer  
(Europe) Limited concerning the dividend  
described in Schedule 1 HII shall have no further  
claim against HIUK in respect of that dividend.

@ and shall direct its nominee, Household Manufacturing, Inc.  
that from that date all HML shares held by  
Household Manufacturing, Inc. shall be held as  
bare trustee for and nominee of ELJER.

I certify this is true copy of

the original

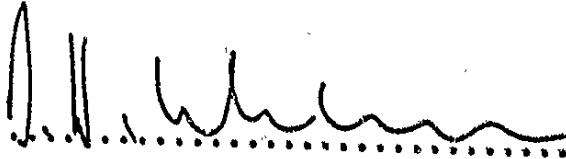
of Household Manufacturing

21 Holborn Viaduct, EC1A 2DY

2. In consideration of the transfer of the HML Shares to ELJER, ELJER hereby agrees to allot to the holders of the shares in HIUK appearing in the Register of Members of HIUK on 12<sup>th</sup> April 1989 8,456,492 ordinary shares of £1 each in the share capital of ELJER credited as fully paid (in such proportion that is as near as is practically possible pro-rata to those members' holdings of their shares in HIUK) and shall immediately upon the passing of the resolution referred to in clause 1(a) pass all necessary board and members' resolutions to effect the allotment.
3. (a) The parties have agreed that subject to the consent of the Trustees of the Household Manufacturing Limited Employee Benefits Scheme ("the HML Scheme") and to any covenants contingent thereon being obtained and subject to such consents as may be required from the Superannuation Funds Office and/or the Occupational Pensions Board such proposals for the reorganisation of the HML Scheme as are set out in Schedule 3 to this Agreement (or as modified by separate mutual consent) shall be implemented in the manner set out therein.  
  
(b) If the consents and covenants referred to in (a) above are not obtained then ELJER undertakes that it will make or procure to be made such alternative pension arrangements in respect of those employees of HML who were on 31st March 1989 employed exclusively by HML in the division known at that time as the "Selkirk" division and who were on that date Members of the HML Scheme, such arrangements to be acceptable to HML, HIUK and the Trustees of the HML Scheme on advice from the Actuary to the HML Scheme  
  
(c) The parties have agreed to execute such documents or procure the execution of such documents and do or procure to be done such other things as may be necessary in connection with such reorganisation as is referred to in (a) above or in connection with such alternative pension arrangements as are referred to in (b) above whichever is applicable
3. All the parties to this Agreement will use their best endeavours to do or procure all acts and things and execute such deeds and documents as may be necessary to give effect to the transactions described in this Agreement

AS WITNESS the hands of the duly authorised  
representatives of the parties the day and year first  
before written.

Signed by.....  
For and on behalf of HOUSEHOLD INTERNATIONAL, INC.

Signed by.....  
For and on behalf of HOUSEHOLD INTERNATIONAL (U.K.)  
LIMITED 131

Signed by.....  
For and on behalf of ELJER INDUSTRIES LIMITED

Signed by.....  
For and on behalf of HOUSEHOLD MANUFACTURING LIMITED

**SCHEDULE 1**

**(Ordinary Resolution)**

**The Companies Act 1985**

**Company Limited by Shares**

**Ordinary Resolution**

**of**

**Household International (UK) Limited**

Pursuant to Article 56 of the Articles of Association, we, being all the members for the time being of Household International (UK) Limited entitled to receive notice of general meetings, hereby pass the following resolution as an Ordinary Resolution:-

**Ordinary Resolution**

That following the recommendation of the Directors of the Company:

- (i) the Company declare a dividend payable to all of the ordinary shareholders appearing in the Register of Members on April 1989 equal to the aggregate value of:
  - (a) the assets and undertaking of the Company's Schwitzer turbo charger and cooling systems business together with its related liabilities; and
  - (b) all the Company's shareholding in Household Manufacturing Limited; and
- (ii) payment of the said dividend be satisfied by transferring:
  - (a) the assets, undertaking and liabilities mentioned in (i)(a) above to Schwitzer (Europe) Limited; and

(b) the shareholding mentioned in (1)(b) above to Eljer Industries Limited.

Dated this                      day of April 1980

.....  
B.H. Weston  
for and on behalf of  
Household Finance Corporation

.....  
D.D. Wesselink  
for and on behalf of  
Household International Inc.

SCHEDULE 2

(Stock Transfer forms x 3) *As*

6832m


FORM 100 (1973)

**STOCK  
TRANSFER  
FORM**  
(TRANSFER BY  
COMPANY)

Below this line for Registrar only

|   |  |   |
|---|--|---|
| Proportionate part of<br>Issue of 8,456,492 ordinary<br>shares to £1.00 each in the<br>capital of Eljer Industries<br>Limited to Household International<br>Consideration Money £.....<br>Inc. and its nominees |  | Certificate lodged with the Registrar<br><br>(For completion by the Registrar/Stock Exchange) |
| Name of<br>Underlying   | HOUSEHOLD MANUFACTURING LIMITED  |   |
| Description of<br>Security  | ORDINARY SHARES  |   |
| Number or amount<br>of Shares, Stock or<br>other security and,<br>in figures column<br>only, number and<br>denomination of<br>units, if any.  | Words<br>Eight Million, Four Hundred and Fifty<br>Six Thousand, Four Hundred and Seventy<br>Seven eight              | Figure<br>8,456,478<br>Units of £1  |
| Name and address<br>of registered holder<br>should be given in<br>full.   | In the name(s) of<br>Household International (U.K.) Limited<br>North Street<br>Winkfield<br>Windsor<br>Berks SL4 4TD |   |

We hereby transfer the above security out of the name aforesaid to the person(s) named below.

|   |  |   |
|---|--|---|
|  | THE COMMON SEAL of Household<br>International (U.K.) Limited<br>was hereunto affixed in the presence of<br><br>..... } Director(s).<br>..... }<br>..... Secretary. | Stamp of Selling Broker(s) or, for transactions which are<br>not stock exchange transactions, of Agents, if any,<br>acting for the Transferor(s)<br><br>Date..... |
|---|--|---|

|  |  |
|--|--|
| Full name(s) and full postal<br>address(es) (including postcode)<br>of the person(s) to whom the<br>security is transferred.<br><br>Please state title, if any, or<br>whether Mr., Mrs., or Miss.<br><br>Please complete in type-<br>writing or in Block<br>Capital. | Eljer Industries Limited<br>Bassett House<br>High Street<br>Banstead<br>Surrey SM7 2LZ |
|--|--|

We request that such entries be made in the register as are necessary to give effect to this transfer.

|                                    |   |
|------------------------------------|---|
| Stamp of Buying Broker(s) (if any) | Stamp or name and address of person lodging this form<br>(if other than the Buying Broker(s)) |
|------------------------------------|---|



**STOCK  
TRANSFER  
FORM**  
(TRANSFER BY  
COMPANY)

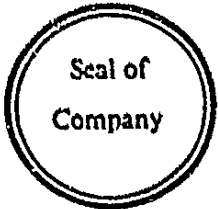
Above this line for Registrar only

Proportionate part of issue of  
8,456,492 ord. shares of £1.00  
in the capital of Eljer Industries  
Ltd. to Household International  
Inc. and nominee

Certificate lodged with the Registrar

(For completion by the Registrar/Stock Exchange)

|   |  |                               |
|---|--|-------------------------------|
| Name of Undertaking   | HOUSEHOLD MANUFACTURING LIMITED  |                               |
| Description of Security   | ORDINARY SHARES  |                               |
| Number or amount of Shares, Stock or other security and in figure, column only, number and denomination of units, if any. | Words<br>FOURTEEN  | Figures<br>( 14 units of £1 ) |
| Name and address of registered holder should be given in full.  | In the name(s) of<br>Household Manufacturing, Inc.<br>2700, Sanders Road<br>Prospect Heights<br>Illinois<br>U.S.A. |                               |

|   |   |  |
|---|---|--|
| We hereby transfer the above security out of the name aforesaid to the person(s) named below. |   | Stamp of Selling Broker(s) or, for transactions which are not stock exchange transactions, of Agent(s), if any, acting for the Transferor(s) |
|            | THE COMMON SEAL of .....                | Date..... April 1989   |
|   | .....                                   |  |
|   | was hereunto affixed in the presence of |  |
|   | ..... } Director(s).                    |  |
|   | ..... } Secretary.                      |  |

Full name(s) and full postal address(es) (including postcode) of the person(s) to whom the security is transferred.

Please state title, if any, or whether Mr., Mrs., or Miss.

Please complete in type-writing or in Block Capital.

Eljer Industries Limited  
Bassett House  
High Street  
Barnshead  
Surrey

I/We request that such entries be made in the register as are necessary to give effect to this transfer.

|                                    |  |
|------------------------------------|--|
| Stamp of Buying Broker(s) (if any) | Stamp or name and address of person lodging this form (if other than the Buying Broker(s)) |
|                                    |  |

FORM 100 (1963)

**STOCK  
TRANSFER  
FORM**  
(TRANSFER BY  
COMPANY)

Below this line - Registrars only

Proportionate part of issue of  
8,456,492 ord. shares of £1 in  
capital of Eljer Industries Ltd.  
to Household International, Inc.  
and nominees  
Consideration Money £ .....


Certificate lodged with the Registrar

(For completion by the Registrar/Stock Exchange)

|  |  |                                  |
|--|--|----------------------------------|
| Name of<br>Underlying  | HOUSEHOLD MANUFACTURING LIMITED  |                                  |
| Description of<br>Security   | ORDINARY SHARES  |                                  |
| Number or amount<br>of Shares, Stock or<br>other security and,<br>in figures column<br>only, number and<br>denomination of<br>units, if any. | Words<br><br>ONE   | Figures<br><br>( 1 units of £1 ) |
| Name and address<br>of registered holder<br>should be given in<br>full   | In the name(s) of<br><br>Household International (U.K.) Limited<br>North Street<br>Winkfield<br>Windsor<br>Berks SL4 4TD |                                  |

We hereby transfer the above security out of the name aforesaid to the  
person(s) named below.

Stamp of Selling Broker(s) or, for transactions which are  
not stock exchange transactions, of Agent(s) if any,  
acting for the Transferor(s)

|  |  |                   |
|--|--|-------------------|
|  <p>Seal of<br/>Company</p> | <p>THE COMMON SEAL of Household<br/>International (U.K.) Limited<br/>was hereunto affixed in the presence of</p> <p>..... } Director(s)</p> <p>..... }<br/>..... Secretary</p> | <p>Date .....</p> |
|--|--|-------------------|

|   |   |
|---|---|
| <p>Full name(s) and full postal<br/>address(es) (including postcode)<br/>of the person(s) to whom the<br/>security is transferred.</p> <p>Please state title, if any, or<br/>whether Mr., Mrs., or Miss.</p> <p>Please complete in type-<br/>writing or in Block<br/>Capital.</p> | <p>Eljer Manufacturing, Inc.<br/>2700 Sanders Road<br/>Prospect Heights<br/>Illinois<br/>U.S.A.</p> |
|---|---|

I/We request that such entries be made in the register as are necessary to give effect to this transfer.

|                                    |   |
|------------------------------------|---|
| Stamp of Buying Broker(s) (if any) | Stamp or name and address of person lodging this form<br>(if other than the Buying Broker(s)) |
|                                    |   |

**SCHEDULE 3**  
**PENSIONS)**

6832m

A summary of the steps involved in the  
reorganisation of the  
Household Manufacturing Limited Employee Benefit Scheme

Objectives

- 1 To ensure that, once the Household Manufacturing reorganization has been completed, employees who currently participate in the Household Manufacturing Limited Employee Benefit Scheme (the HML Scheme) will participate in a plan which permits them to continue to accrue benefits on the same basis as at present.
- 2 To ensure that the employees' accrued rights are fully protected, i.e. with adequate asset backing.
- 3 To provide a benefit enhancement by reference to past service.

Implementation

- 1 The HML Scheme to be merged into the H.F.C. Trust Limited Pension and Life Assurance Plan ~~in such a manner which does not precipitate a termination of the HML Scheme.~~ Although the Trustee of the HML Scheme is the company, certain individuals exercise day to day administrative authority with such to the HML Scheme. This proposal requires the co-operation of such individuals who, very properly, are concerned to ensure that the proposal benefits the pension beneficiaries.
- 2 Household Manufacturing Limited to adhere to the H.F.C. Plan on Day 1 (31 March 1989).
- 3 Two new pension plans, the Selkirk Pension Plan (1989) and the Schwitzer Pension Plan (1989), to be established with effect from Date 2 (up to two weeks after Day 1) upon interim documentation and announced in detail to employees.
- 4 Accrued benefits within the H.F.C. Plan to be frozen as at Day 2 (but revalued in accordance with minimum statutory requirements).

For employees then joining the 1989 Plan, benefits under the 1989 Plan will be calculated by reference to service with the old HML Scheme, the merged H.F.C. Plan and the 1989 Plan, with Final Pensionable Salary calculated at the date benefits are determined (retirement, leaving service or death). Such 1989 Plan benefit will be offset by the accrued benefit held within the H.F.C. Plan as at Day 2 (as revalued).

- 5 Employees will have the option to transfer the value of their accrued benefits under the H.F.C. Plan either to the 1989 Plan or to some other pension arrangement (for example a personal pension). This option is available at any time after joining the 1989 Plan.

- 6 Life insurance under the Selkirk and Schwitzer Plans (1989) will be equal to 4 times salary (enhanced from the 3 times salary benefit under the old plan).
- 7 Selkirk and Schwitzer will be required to maintain the 1989 Plans and to fund them at levels at least as good as those under the old plan for a minimum of five years.

Net Effect

Employees' accrued benefits will remain as secure as before, but at an enhanced level. In addition, they will know that their employer must provide a plan of the same quality for at least five years; this is something Selkirk and Schwitzer, in common with most other employers in the U.K., do not have to do.

# G

COMPANIES FORM No. 155(6)a

## Declaration in relation to assistance for the acquisition of shares.

# 155(6)a

Please do not write in this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number

[ ] [ ] [ ] [ ]

2346109

Name of company

**Schwitzer (Europe) Limited**

Note  
Please read the notes on page 3 before completing this form

\*Insert full name of company

Insert name(s) and address(es) of all the directors

**PETER SANDERSON of Essenden, 41 Henton Moor Road, Kirkheaton, Huddersfield, and PETER SPRATT of Stonecourt, 12 Ancestor Road, Leeds LS16 5JH**

Delete as appropriate

Delete whichever is inappropriate

~~We~~ **We** ~~the~~ **all the directors** of the above company do solemnly and sincerely declare that:

The business of the company is:

~~(a) that of a recognised bank~~ ~~(b) that of a person authorised under section 33 of the Insurance Companies Act 1982 to carry on~~

~~(c) that of a person authorised under section 33 of the Insurance Companies Act 1982 to carry on~~

~~insurance business in the United Kingdom~~

(c) something other than the above:

The company is proposing to give financial assistance in connection with the acquisition of shares in the

~~[company]~~ **[company's holding company]**

~~The assistance is for the purpose of that acquisition~~ **The assistance is for the purpose of reducing or discharging a liability incurred for the purpose of that acquisition.**

The number and class of the shares acquired or to be acquired is: **10,190,001**

**Ordinary shares of £1 each**

Presentor's name, address and reference (if any):

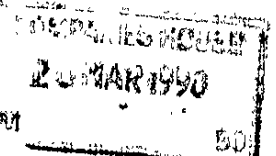
**Lovell White Durrant  
21 Holborn Viaduct  
London EC1A 2DY**

**C1/AJW**

For official use

General Section

Post room



The assistance is to be given to: (note 2) Schwitzer (Europe) Holdings Limited  
of Roydsdale Way, Euroway Industrial Estate, Bradford, West Yorkshire  
BD4 6SE

Please check and  
initial in  
this margin

Please complete  
legibly and preferably  
in block type or  
bold block lettering

The assistance will take the form of:

A guarantee given by Schwitzer (Europe) Limited guaranteeing the obligations of Schwitzer (Europe) Holdings Limited in respect of a medium-term loan facility of US\$5 million granted by National Westminster Bank PLC to Schwitzer (Europe) Holdings Limited

HC The person who (has acquired) ~~(will acquire)~~ the shares is:  
Schwitzer (Europe) Holdings Limited

\*Delete as  
appropriate

The principal terms on which the assistance will be given are:

Unlimited guarantee

The amount of cash to be transferred to the person assisted is £ NIL

The value of any asset to be transferred to the person assisted is £ NIL

1st March, 90

The date on which the assistance is to be given is

19

Form 20-100  
1985-10  
015-1000

Please complete  
legibly, preferably  
in black type, or  
bold black lettering

Indicate either (a) or  
(b) as appropriate

~~10-1~~ We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could when so found to be unable to pay its debts. (note 3)

~~10-1~~ (a) We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date. (note 3)

~~10-1~~ (b) [I have intended to commence the winding up of the company within 3 months of that date, with a view to the company's liquidation.]

~~10-1~~ XXXXX [I have formed the opinion that the company will be able to pay its debts as they fall due during the period of the commencement of the winding up.] (note 3)

And we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

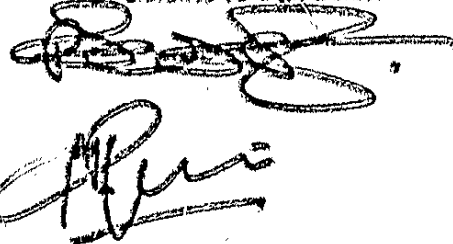
Declared at BRADMAN  
WEST YORKSHIRE

the 27<sup>th</sup> day of FEBRUARY  
One thousand nine hundred and NINETY

before me N.C. Bell

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

Declarants to sign below



## NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.



# G

## COMPANIES FORM No. 155(6)a

### Declaration in relation to assistance for the acquisition of shares.

# 155(6)a

Please do not write in this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete legibly, preferably in block type, or bold block lettering

To the Registrar of Companies

For official use

Company number

[ ]

2346109

Note  
Please read the notes on page 2 before completing this form

Name of company

• Schwitzer (Europe) Limited

\*Insert full name of company

I/W/ot GARY DILLON of 28318 North Oak Lane, Libertyville, Illinois 60089, USA

Insert name(s) and address(es) of all the director(s)

Delete as appropriate

~~xxxxxx~~ [all the director(s)] of the above company do solemnly and sincerely declare that:

The business of the company is:

Delete whichever is inappropriate

~~xxxxxx~~ (recognised bank) (licensed institution) within the meaning of the Banking Act 1979  
~~xxxxxx~~ a person authorised under section 2 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom  
(c) something other than the above

The company is proposing to give financial assistance in connection with the acquisition of shares in the [company] [company's holding company]

The assistance is for the purpose of [that acquisition] [reducing or discharging a liability incurred for the purpose of that acquisition].

The number and class of the shares acquired or to be acquired is: 10,190,001  
Ordinary shares of £1 each

Presentor's name, address and reference (if any):

Lovell White Durrant  
21 Holborn Viaduct  
London EC1A 2DY

CL/AJW

For official use

General Section

Post room

2.10.1985  
1.1

The assistance is to be given to (note 2) Schwitzer (Europe) Holdings Limited,  
Ryedale Way, Euroway Industrial Estate, Bradford, West Yorkshire

BD4 6SE

Check the box  
which is  
appropriate

Finance Committee  
has been consulted  
in the case of  
a loan or guarantee

The assistance will take the form of:

A guarantee given by Schwitzer (Europe) Limited guaranteeing the obligations of Schwitzer (Europe) Holdings Limited in respect of a medium-term loan facility of US\$5 million granted by National Westminster Bank PLC to Schwitzer (Europe) Holdings Limited

The person who (has acquired) ~~has acquired~~ the shares is:  
Schwitzer (Europe) Holdings Limited

\*Delete as  
appropriate

The principal terms on which the assistance will be given are:

Unlimited guarantee

The amount of cash to be transferred to the person assisted is £ NIL

The value of any asset to be transferred to the person assisted is £ NIL

The date on which the assistance is to be given is 1st March, 1999

File this form  
with the  
company

Please complete  
legibly, preferably  
in block type, or  
bold block lettering

Indicate either (a) or  
(b) as appropriate

I/We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) I/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date (note 3)

(b) I/We have formed the opinion that the company will be unable to pay its debts as they fall due during the year immediately following that date (note 3)

And I/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Deerfield, IL (U.S.A.)

Declarants to sign below

the 28th day of February  
One thousand nine hundred and ninety

before me Cynthia J. Naring

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

Comm. Expires 3-3-90

## NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(2) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account—see section 150(3) of the Companies Act 1985.
- 4 The auditor's report required by section 156(4) of the Companies Act 1985 must be annexed to this form.

# Arthur Andersen & Co.

Chartered Accountants

St. Paul's House - Park Square - Leeds LS1 2PJ

Telephone: 0532 418222 Telex: 556472

2 34609

1 March 1990

The Board of Directors  
Schwitzer (Europe) Limited  
Euroway Industrial Estate  
Bradford  
BD4 6SE

Dear Sirs,

## AUDITORS' REPORT TO THE DIRECTORS OF SCHWITZER (EUROPE) LIMITED PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declarations of the directors dated 27 February and 28 February 1990 in connection with the proposed financial assistance to be provided by Schwitzer (Europe) Limited ('the company') through giving a guarantee, dated 1 March 1990, as security for the discharge on demand of all present and future liabilities (actual and contingent) of Schwitzer (Europe) Holdings Limited ('the borrower'), in respect of a medium-term loan facility of \$5,000,000 granted by National Westminster Bank plc, to the borrower for the purpose of acquiring 10,190,000 ordinary shares of £1 each of the company. We have enquired into the company's state of affairs so far as necessary for us to review the bases for the statutory declarations.

We are not aware of anything to indicate that the opinion expressed by the directors in their declarations as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

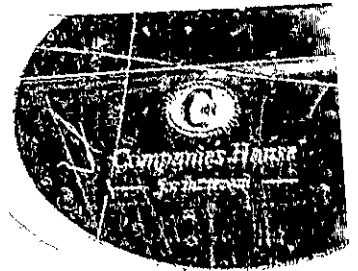
Yours faithfully,

Arthur Andersen & Co.

2534v

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Offices in: London Birmingham Bristol Cambridge Edinburgh Glasgow Leeds Manchester Nottingham Reading St Helier  
Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business  
A list of partners is available at 1 Surrey Street London WC2R 2PS (principal place of business)  
Associated with Arthur Andersen & Co in: Argentina Australia Bahrain Belgium Bermuda Brazil Canada China Colombia Denmark  
France Egypt Finland France W Germany Greece Guatemala Hong Kong India Indonesia Ireland Italy Japan Korea Latin America  
Malaysia Mexico The Netherlands Namibia Nigeria Norway Oman Peru Philippines Portugal Puerto Rico Saudi Arabia Singapore South Africa  
South Korea Spain Sweden Switzerland Taiwan Thailand Turkey UAE USA Venezuela



Grown Way Cardiff CF14 3UZ  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

## NOTICE OF ILLEGIBLE DOCUMENTS

Companies House regrets that documents in this company's microfiche record have pages which are illegible.

This has been noted but unfortunately steps taken to rectify this were unsuccessful.

Companies House would like to apologise for any inconvenience this may cause.

### COMPANY INFORMATION SUPPLIED BY COMPANIES HOUSE

Companies House is a registry of company information. We carry out basic checks to make sure that documents have been fully completed and signed, but we do not have the statutory power or capability to verify the accuracy of the information that companies send to us. We accept all information that companies deliver to us in good faith and place it on the public record. The fact that the information has been placed on the public record should not be taken to indicate that Companies House has verified or validated it in any way.