

No. 1346

**THE COMPANIES ACT 1985**  
**PRIVATE COMPANY LIMITED BY SHARES**

**NEW**  
**ARTICLES OF ASSOCIATION**

**of**

**N P K Holdings Limited**

*Adopted by Special Resolution passed  
on 14th day of May 1999*

*As amended by Special Resolution passed  
on 5th day of January 2000 and further amended by Special Resolution passed on 7th day of  
April 2006*

**TAYLOR VINTERS**  
**SOLICITORS**  
**CAMBRIDGE**



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NPK HOLDINGS LIMITED

Adopted by Special Resolution passed  
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As amended by Special Resolution passed  
on 5th day of January 2000 and further amended by  
Special Resolution passed on 7th day of April 2006  
Incorporated on the 14th day of June 1864

**Interpretation**

1. In these Articles, if not inconsistent with the subject or context:-
  - 1.1 "**the Act**" means the Companies Act 1985 as amended or re-enacted from time to time.
  - 1.2 "**Table A**" means Table A in the Schedule to the Companies (Tables A-F) Regulations 1985.

**Table A**

2. The regulations contained in Table A apply to the Company except in so far as they are excluded by or are inconsistent with these Articles.
3. Regulations 8, 64, 65, 66, 67, 68, 69, 94 and 118 of Table A do not apply to the Company.

**Share capital**

- 4.1 The share capital of the Company is £1,000,000 divided into 300,000

ordinary shares of £1 each ("the Ordinary Shares") and 700,000 10% Redeemable Cumulative Preference Shares of £1 each ("the Preference Shares").

**(a) Rights as to Profits, Capital and Voting**

**(i) Income:**

The Preference Shares shall entitle the holders thereof in priority to any dividend or return of capital on any other class of shares to a fixed cumulative preferential dividend on the capital for the time being paid up thereon at the rate of 10p per Preference Share per annum less deductions that the Company is obliged to make by statute in force at the date of payment, such dividend to be payable not less frequently than once in each calendar year with the first payment to be on 16 January 2000 and apportioned from the date of allotment of the Preference Shares.

**(ii) Capital:**

The Preference Shares shall entitle the holders thereof on a winding up or on a reduction of capital involving a return of capital in priority to any return of capital on any other class of shares, to repayment of the capital paid up or credited as paid up thereon together with a sum equal to any arrears or accruals of the fixed cumulative preferential dividend thereon calculated down to the date of repayment whether or not such dividend shall have been declared or earned.

**(iii) Voting:**

The Preference Shares shall not entitle the holders to receive notice of or to attend or vote at any general meeting of the Company unless either (i) at the date of the notice convening

the meeting the dividend on the Preference Shares has not been paid for at least 18 months or (ii) the business of the meeting includes any resolution for winding up the Company or directly or adversely modifying or abrogating any of the special rights or privileges attached to the Preference Shares in which case the holders thereof shall only be entitled to vote at the relevant meeting in respect of such resolution(s).

**(iv) Other Rights:**

The Preference Shares shall not confer on the holders thereof any further rights to participate in the profits or assets of the Company or to vote.

**(b) Further issues of preference shares:**

The Company may, without any consent or sanction of the holders of Preference Shares, create and issue further preference shares either ranking pari passu and identically in all respects and so as to form one class with the existing Preference Shares or ranking pari passu therewith as regards priority in respect of income and/or capital but carrying a different rate of dividend (if any) or otherwise differing from the Preference Shares.

**(c) Separate Class Rights:**

If the Company shall have issued and there shall be outstanding any further preference shares ranking pari passu, but not identically in all respects and so as to form one class with the Preference Shares, then such further preference shares shall be deemed to constitute a separate class of shares for the purposes of the articles of the Company.

**(d) Application of surplus assets on a winding up:**

In the winding up of the Company the surplus assets shall be applied to the

following purposes and in the following order of priority:-

**4(d)1** to the repayment of capital paid up or credited as paid up on the Preference Shares (and on any further preference shares ranking pari passu therewith as regards priority in respect of capital) together also with any arrears or accruals of fixed dividend in accordance with the rights of all such shares;

**4(d)2** to the repayment of the capital paid up or credited as paid up on the Ordinary Shares and any surplus assets shall be divided amongst the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them respectively.

**(e) Redemption**

Subject to the provisions of Pt V, Ch VII of the Companies Act 1985 the Preference Shares shall be redeemed at £2.00 per share at any time in whole or in part at the option of the Company.\*1

4.2 Subject to any direction to the contrary which may be given by the Company in general meeting, the directors are unconditionally authorised to allot, create, deal with or otherwise dispose of relevant securities (within the meaning of section 80(2) of the Act) to such persons (including any director) on such terms and at such times as they think fit, but no shares shall be issued at a discount. In exercising their authority under this sub-article the directors shall be required to have regard to sections 89(1) and 90(1) to (6) (inclusive) of the Act.

5. The maximum nominal amount of share capital which the directors may allot or otherwise dispose of in accordance with article 4 is the nominal amount of

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1 Amended by Special Resolution on the 5<sup>th</sup> day of January 2000 and 7<sup>th</sup> day of April 2006.

unissued shares at the date of the adoption of these articles or such other amount as shall be authorised by the Company in general meeting.

6. The authority conferred on the directors by articles 4 and 5 shall remain in force for a period of 5 years from the date of the adoption of these Articles. This authority may be renewed by the Company in general meeting in accordance with section 80 of the Act.

7. There shall be paid to the Company in respect of the registration of any Probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the register affecting the title to any share, such fee as the directors may from time to time require or prescribe.

#### **Lien**

8. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person whether as a member or not and whether such moneys are presently payable or not. The directors may at any time declare any share to be wholly or partly exempt from the provisions of this article. The Company's lien on a share shall extend to any amount payable in respect of it.

#### **Transfer of shares**

9. In the event of any offer being made to all the holders of Ordinary Shares to sell or exchange all or any of such shares for cash or other consideration, no transfer to give effect to any acceptance of such offer shall be registered by the Directors unless evidence satisfactory to them shall have been produced

that holders of not less than 50 per cent in the aggregate of the issued Ordinary Shares have accepted such offer.

**Numbers of directors**

10. Unless otherwise determined by ordinary resolution, the number of directors shall not be less than three nor more than six in number.

**Delegation of powers**

11. The following sentence shall be inserted after the first sentence of regulation 72 of Table A:

A committee of directors has the power, unless the directors direct otherwise, to appoint as a member of the committee for any specific purpose a person who is not a director of the Company.

**Appointment and retirement of directors**

12. Any member or members holding a majority in nominal amount of the issued share capital which confers the right to attend and vote at general meetings may at any time appoint any person to be a director, either as an additional director or to fill a vacancy, and may remove from office any director however appointed. The appointment or removal shall be effected by notice in writing to the Company signed by the member or members giving it or, in the case of a corporate member, signed by any director or by a person authorised by resolution of the directors or other governing body. The appointment or removal shall take effect when the notice is delivered to the registered office or to the secretary of the Company, or is produced at a meeting of the directors. The removal shall be without prejudice to any claim which he may have under any contract with the Company.



13. Any director shall vacate his office at the end of the Annual General Meeting commencing next after attaining 70 years of age unless at such meeting he shall have been re-appointed. Where it is proposed to re-appoint a director to whom this article applies the notice of meeting shall specify the resolution to re-appoint and shall state the age of the person to whom it relates.
14. A director is not required to hold any qualification shares in the Company but he shall nevertheless be entitled to attend and speak at any general meeting of the Company, or at any separate meeting of the holders of any class of shares of the Company.

**Disqualification and removal of directors**

15. Regulation 81 of Table A shall be amended by substituting the following provisions for paragraphs (c) and (e) respectively:
- 15.1 he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director; or
- 15.2 he is otherwise duly removed from office.

**Remuneration of directors**

16. Regulation 82 of Table A shall be amended by the addition of the following:

The remuneration shall be divided amongst the directors in such proportions and manner as the directors unanimously determine or in default of a determination equally, except that any director holding office for less than a year or other period for which remuneration is paid shall rank in such division in proportion to the fraction of the year or other period during which he held office. A director who, at the request of the directors, performs special services or goes or resides abroad

for any purpose of the Company may receive such extra remuneration by way of salary, commission or participation in profits, or partly in one way and partly in another, as the directors determine.

**Managing and executive directors**

17. Regulations 72 and 84 of Table A shall be amended by the insertion of the words " or joint managing director " immediately following any reference to "managing director."

**Proceedings of directors**

18. Regulation 88 of Table A shall be amended by adding to the sentence:

It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom

the words:

unless he has given to the Company an address outside the United Kingdom to which notices should be sent.

19. A director may participate in a meeting of the directors or a committee of directors of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
20. A director who is unable to attend any meeting of the directors may authorise any other director to vote for him at that meeting, and in that event the director so authorised shall have a vote for each director by whom he is so authorised in addition to his own vote. Any such authority must be in

writing (including facsimile), which must be produced at the meeting at which the same is to be used, and be left with the Secretary for filing.

21. Subject to disclosure in accordance with section 317 of the Act, a director shall be entitled to vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company and he shall be reckoned in estimating a quorum when such matter is under consideration.

**Associate directors**

- 21.1 The directors may from time to time appoint any manager or other officer or person in the employ of the Company or any subsidiary company of the Company to be an associate director of the Company. Any associate directors so appointed may be removed by resolution of the directors at any time and without the giving of any reason or any notice in that behalf.
- 21.2 An associate director appointed under this Article shall not be required to hold any shares in the Company to qualify him for such office.
- 21.3 An associate director shall not while he continues to hold office be taken into account in calculating the number to form a quorum at any meeting of the directors.
- 21.4 The appointment, continuance in office, removal, powers, duties and remuneration of the associate directors or any of them shall be determined by the directors.
- 21.5 An associate director shall not except with and to the extent sanctioned by the directors-
- 21.5.1 have any right of access to the books of the Company;

21.5.2 be entitled to receive notice of or attend at the meetings of the directors;

21.5.3 be entitled to exercise any of the powers, duties or rights of the directors individually or collectively.

#### **Borrowing powers**

22. The directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

#### **Dividends**

23. The payment by the directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

#### **The seal**

24. In accordance with section 39 of the Act the Company may have an official seal for use in any territory, district or place elsewhere than in the United Kingdom.

#### **Notices**

25. Any notice required by these Articles to be given by the Company may be given by any visible form on paper including telex and facsimile. A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111

and 112 of Table A shall be amended accordingly.

26. Regulation 116 of Table A shall be amended by substituting the following provision for the final sentence-

Save as aforesaid, any notice or document given by the Company to the registered address of any member shall, notwithstanding that such member be dead or bankrupt and whether or not the Company had notice of his death or bankruptcy, be deemed to have been fully served in respect of any share registered in the name of such member as sole or joint holder.

**Indemnity**

27. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director, secretary, auditor or other officer of the Company is entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office including any liability incurred by him (a) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part, or (b) in connection with any application in which relief is granted to him by the court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company.