

No. of Company, /93 .

The Companies Act 1948.



COMPANY LIMITED BY SHARES.

Special Resolution

OF

MACHELL BROTHERS LIMITED

Passed 11th June 1952.

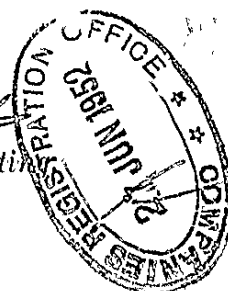


AT an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened, and held at Cloth Hall Mills, Dewsbury, on the 11th day of June 1952, the following Resolution was passed as a Special Resolution of the Company :—

“ That the new Articles of Association of the Company now produced by the Company's Solicitors be substituted for the Articles now existing, subject to the deletion of Article 31 set out in the said new Articles, and the substitution therefor of the following Article :—

“ 31. For the purposes of Articles 28, 29 and 30, the fair value of any share comprised in a sale notice shall be the value certified by a Chartered Accountant to be nominated by the President of the Institute of Chartered Accountants; the valuation fee of such Accountant shall be borne by the retiring member and the purchasing member equally .”

R. E. Horsfield
Chairman of the Meeting



The Companies Act 1948.

COMPANY LIMITED BY SHARES.

Articles of Association

OF

MACHELL BROTHERS LIMITED

(A Private Company not issuing Shares to the Public)

Incorporated the 11th day of APRIL 1995.

The Companies Act 1948.

H. E. Gosnell

COMPANY LIMITED BY SHARES.

- Chairman

Articles of Association

OF

MACHELL BROTHERS LIMITED

TABLE A EXCLUDED.

1. The regulations in Table A in the First Schedule to the Companies Act 1962 shall not apply to the Company, except so far as the same are repeated or contained in these Articles. Table A excluded

INTERPRETATION.

2. In these Articles the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context— Interpretation clause

WORDS	MEANINGS	Definitions
The Act	The Companies Act 1948.	
The Statutes	The Companies Act 1948, and every other Act for the time being in force concerning joint stock companies and affecting the Company.	
These Articles	These Articles of Association as adopted or as altered from time to time by Special Resolution.	
The Directors	The Directors for the time being of the Company.	
The Office	The registered office for the time being of the Company.	
The Seal	The common seal of the Company.	
The United Kingdom	Great Britain and Northern Ireland.	

Writing shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender ; and

Words importing persons shall include corporations.

Expression in
Statutes to bear
same meaning in
Articles

Subject as aforesaid, any words or expressions defined in the Statutes shall, except where the subject or context forbids, bear the same meanings in these Articles.

SHARES.

Capital

3. The capital of the Company is £30,000, divided into 3,000 ordinary shares of £10 each.

How shares to be
issued

1. The shares shall be under the control of the Directors, who may allot and issue the same (subject always to Articles 5 and 53 hereof) to such persons on such terms and conditions and at such times as the Directors think fit, but so that no shares shall be issued at a discount except in accordance with section 57 of the Act. Any preference share may, with the sanction of a Special Resolution, be issued on the terms that it is, or at the option of the Company is liable, to be redeemed.

Private Company

5. The Company is a Private Company, and accordingly (A) no invitation shall be issued to the public to subscribe for any shares or debentures of the Company; (B) the number of the members of the Company (not including persons who are in the employment of the Company, and persons who, having been formerly in the employment of the Company, were while in that employment and have continued after the determination of that employment to be members of the Company) shall be limited to fifty, provided that, for the purposes of this provision, where two or more persons hold one or more shares in the Company jointly they shall be treated as a single member; and (C) the right to transfer the shares of the Company shall be restricted in manner hereinafter appearing.

6. No share or debenture shall be issued or transferable to or held by any person or corporate body, nor shall any person or corporate body be permitted to have or acquire any interest in any share or debenture, in any circumstances in which the Company would by reason thereof lose its status as an exempt Private Company.

Commission on
subscription of
shares

7. The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company: Provided that such commission shall not exceed 10 per cent. of the price at which such shares are issued, or an amount equivalent to such percentage; and the requirements of sections 53 and 124 of the Act and of the Sixth Schedule and Part I of the Eighth Schedule thereto shall be observed. Any such commission may be satisfied in fully paid shares of the Company, in which case section 52 of the Act shall be duly complied with.

Interest on share
capital during
construction

8. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest

on so much of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in section 65 of the Act, and may charge the same to capital as part of the cost of construction of the works, buildings or plant.

9. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.

Receipts of joint holder, of shares

10. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provided or as by statute required or pursuant to any order of Court.

No trust recognised

11. Every member shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (unless the conditions of issue provide for a longer interval) one certificate under the seal for all the shares registered in his name, specifying the number and (where necessary) denoting numbers of the shares in respect of which it is issued and the amount paid up thereon: Provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Every certificate shall be signed by one Director and countersigned by the Secretary or by an assistant or deputy Secretary.

Registered member entitled to share certificate

12. If any share certificate shall be defaced, worn out, destroyed or lost, it may be renewed on such evidence being produced and such indemnity (if any) being given as the Directors shall require, and (in case of defacement or wearing out) on delivery up of the old certificate, and in any case on payment of such sum not exceeding one shilling as the Directors may from time to time require.

New certificate may be issued

LIEN.

13. The Company shall have a first and paramount lien upon all shares (whether fully paid or not) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors may at any time declare any share to be exempt, wholly or partially, from the provisions of this Article.

Company to have lien on shares and dividends

14. The Directors may sell the shares subject to any such lien at such time or times and in such manner as they think fit, but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such

Lien may be enforced by sale of shares

lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for seven days after such notice.

Application of
proceeds of sale

15. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares so sold.

Directors may
transfer and enter
purchaser's name
in share register

16. Upon any such sale as aforesaid, the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Member not entitled
to privileges of
membership until
all calls paid

17. No member shall be entitled to receive any dividend or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

CALLS ON SHARES.

Directors may
make calls

18. The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all moneys unpaid on their shares as they think fit, provided that fourteen days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors.

Fourteen days'
notice to be given

When call deemed
made

19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

Liability of joint
holders

20. The joint holders of a share shall be jointly and severally liable to the payment of all calls and instalments in respect thereof.

Interest on unpaid
call

21. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding 10 per cent. per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

Sums payable on
allotment deemed
a call

22. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of

non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other the relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.

23. The Directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls. Difference in calls

24. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. Calls may be paid in advance

TRANSFER OF SHARES.

25. Subject to the restrictions of these Articles, share shall be transferable, but every transfer must be in writing in the usual common form, or in such other form as the Directors shall from time to time approve, and must be left at the office, accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may require to prove the title of the intending transferor. Shares to be transferable

26. Subject as provided in Article 37, any share may be transferred at any time by a member to his or her father or mother, or to any lineal descendant of such father or mother, or to his or her wife or husband; and any share of a deceased member may be transferred by his executors or administrators to the widow or widower or any such relative as aforesaid of such deceased member, being a *cestui que trust* or specific legatee thereof, and shares standing in the name of any deceased member may be transferred to or placed in the names of the executors or trustees of his will, and upon any change of trustees may be transferred to the trustees for the time being of such will. Transfer of shares to members of family

27. No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind. Persons under disability

28. Save as hereby otherwise provided, no share shall be transferred to any person who is not a member of the Company so long as any member is willing to purchase the same at the fair value, which shall be determined as hereinafter provided. Shares to be offered to members

29. In order to ascertain whether any member is willing to purchase a share at the fair value, the person, whether a member of the Company or not, proposing to transfer the same (hereinafter called "the retiring member") shall give a notice in writing (hereinafter described as a "sale notice") to the Company that he desires to transfer the same. Every sale notice shall specify Notice of desire to transfer

the denoting numbers (if any) of the shares which the retiring member desires to transfer, and shall constitute the Company the agent of the retiring member for the sale of such shares to any member of the Company at the fair value. No sale notice shall be withdrawn except with the sanction of the Directors.

If Company finds purchaser for retiring member's transfer

30. If the Company shall within twenty-eight days after service of a sale notice find a member willing to purchase any share comprised therein (hereinafter described as a "purchasing member") and shall give notice thereof to the retiring member, the retiring member shall be bound upon payment of the fair value to transfer the share to such purchasing member, who shall be bound to complete the purchase within seven days from the service of such last-mentioned notice. The Directors shall, with a view to finding a purchasing member, offer any shares comprised in a sale notice to the persons then holding the remaining shares in the Company as nearly as may be in proportion to their holdings of shares in the Company, and shall limit a time within which such offer if not accepted will be deemed to be declined; and the Directors shall make such arrangements as regards the finding of a purchasing member for any shares not accepted by a member to whom they shall have been so offered as aforesaid within the time so limited as they shall think just and reasonable.

31. For the purposes of Articles 28, 29 and 30, the fair value of any share comprised in a sale notice may be agreed upon between the retiring member and the purchasing member, but shall in the case of a difference be fixed by the Auditors for the time being of the Company.

Company may complete sale if retiring member make default

32. In the event of the retiring member failing to carry out the sale of any shares which he shall have become bound to transfer as aforesaid, the Directors may authorise some person to execute a transfer of the shares to the purchasing member and may give a good receipt for the purchase price of such shares, and may register the purchasing member as holder thereof and issue to him a certificate for the same, and thereupon the purchasing member shall become indefeasibly entitled thereto. The retiring member shall in such case be bound to deliver up his certificate for the said shares, and on such delivery shall be entitled to receive the said purchase price, without interest, and if such certificate shall comprise any shares which he has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for such shares.

If Company does not find purchaser member may sell as he pleases within six months

33. If the Directors shall not, within the space of twenty-eight days after service of a sale notice, find a purchasing member for all or any of the shares comprised therein and give notice in manner aforesaid, or if, through no default of the retiring member the purchase of any shares in respect of which such last-mentioned notice shall be given shall not be completed within twenty-one days from the service of such notice, the retiring member shall, at any time within six months thereafter, be at liberty, subject to Article 37 hereof, to sell and transfer the shares comprised in his sale notice (or such of them as shall not have been sold to a purchasing member) to any person and at any price.

31. The instrument of transfer of a share shall be executed both by the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.

Transfers to be executed by both parties

35. The Company shall provide a book to be called the "Register of Transfers," which shall be kept by the Secretary under the control of the Directors, and in which shall be entered the particulars of every transfer or transmission of every share.

Company to provide and Secretary to keep register

36. In the event of any member of the Company becoming a director, agent or employee of any other corporation, company, firm, partnership or person, or in business on his or her own account which, in the opinion of the Directors, is a competitor of the Company, the Directors shall serve upon the said member a notice (hereinafter described as a "notice of requisition") requiring the said member to sell his shares at their fair value in accordance with Articles 28 to 33 inclusive, and the said member shall be deemed to be a retiring member. In the event of the said member failing to give a sale notice to the Company within seven days of the receipt of a notice of requisition the said member shall be deemed to have constituted the Company his agent for the sale of such shares at their fair value in accordance with Article 29 hereof, whereupon all the provisions of Articles 30, 31, 32 and 33 shall apply to the said shares.

Member not to compete

37. The Directors may, in their discretion, and without assigning any reason, refuse to register a transfer of any share to any person whom it shall in their opinion be undesirable in the interests of the Company to admit to membership, but (subject to the provisions of Article 5) such right of refusal shall not be exercisable in the case of any transfer made pursuant to Article 26, provided that the proposed transferee is not in the opinion of the Directors a competitor in trade, in which case the Directors may refuse to register the transfer accordingly. The Directors may, however, refuse to register any transfer for the purpose of ensuring that the number of members does not exceed the limit prescribed by Article 5, or any transfer of shares on which the Company has a lien. If the Directors refuse to register a transfer of any shares, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal, as required by section 78 of the Act.

Directors may refuse to register in certain cases

38. Such fee, not exceeding two shillings and sixpence for each transfer, as the Directors may from time to time determine, may be charged for registration of a transfer. The register of transfers may be closed during the fourteen days immediately preceding every Annual General Meeting of the Company, and at such other times (if any) and for such period as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days in any year.

Transfer fee

TRANSMISSION OF SHARES.

39. In the case of the death of a member, the survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised

On death of member survivor or executor only recognised

by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.

Persons becoming entitled on death or bankruptcy of member may be registered

40. Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share, or, subject to the provisions as to transfers herein contained, transfer the same to some other person.

Persons entitled may receive dividends without being registered as member, but may not vote

41. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at, meetings of the Company, or, save as aforesaid, to exercise any of the rights or privileges of a member, unless and until he shall become a member in respect of the share: Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is 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.

FORFEITURE OF SHARES.

Directors may require payment of call with interest and expenses

42. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with interest at such rate not exceeding 10 per cent. per annum as the Directors shall determine, and any expenses that may have accrued by reason of such non-payment.

Notice requiring payment to contain certain particulars

43. The notice shall name a further day (not earlier than the expiration of seven days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

On non-compliance with notice shares forfeited on resolution of Directors

44. If the requisitions of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared.

45. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register of members opposite to the share; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Notice of forfeiture to be given and entered in register of members

46. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

Directors may allow forfeited share to be redeemed

47. Every share which shall be forfeited may be sold, re-allotted, or otherwise disposed of, either to the person who was before forfeiture the holder thereof, or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and the Directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.

Disposal of forfeited shares

48. A shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the share at the time of forfeiture, without any deduction or allowance for the value of the shares at the time of forfeiture.

Former holders of forfeited shares liable for call made before forfeiture

49. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

Consequences of forfeiture

50. A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof, and a certificate of proprietorship of the share under the seal delivered to the person to whom the same is sold or disposed of, shall constitute a good title to the share, and (subject to the execution

Title to forfeited share

of any necessary transfer) such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

ALTERATIONS OF CAPITAL.

Company may
alter its capital
in certain ways

51. The Company may so far alter the conditions of its Memorandum of Association as by Ordinary Resolution—

- (A) to consolidate and divide its share capital into shares of larger amount than its existing shares. or
- (B) to cancel any shares not taken or agreed to be taken by any person, or
- (C) to divide its share capital or any part thereof into shares of smaller amount than is fixed by its Memorandum of Association by sub-division of its existing shares or any of them, subject nevertheless to the provisions of the Statutes, and so that as between the resulting shares, one or more of such shares may by the resolution by which such sub-division is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares ;

and by Special Resolution—

- (D) to reduce its capital or any capital redemption reserve fund or share premium account in any manner authorised and subject to any conditions prescribed by the Act.

INCREASE OF CAPITAL.

Company may
increase its capital

52. The Company in General Meeting may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and (subject to any special rights for the time being attached to any existing class of shares) to carry such preferential, deferred or other special rights (if any), or to be subject to such conditions or restrictions (if any), in regard to dividend, return of capital, voting or otherwise, as the General Meeting resolving upon such increase directs.

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Now
shares to be first
offered to members
unless otherwise
determined

53. Unless otherwise determined by the Company in General Meeting any new shares from time to time to be created shall, before they are issued, be offered to the members in proportion, as nearly as may be, to the number of shares held by them. Such offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on

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the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may, subject to these Articles, dispose of the same in such manner as they think most beneficial to the Company. The Directors may, in like manner, dispose of any such new shares as aforesaid, which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in manner hereinbefore provided.

54. Except so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, any new share capital shall be considered as part of the original Ordinary Share Capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

New shares to be ordinary capital unless otherwise provided

MODIFICATION OF CLASS RIGHTS.

55. Subject to the provisions of section 72 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the capital of the Company may from time to time be modified, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a separate meeting of the members of that class. To any such separate meeting all the provisions of these Articles as to General Meetings of the Company (including the obligation to notify members as to their right to appoint proxies) shall *mutatis mutandis* apply, but so that the necessary quorum shall be members of the class holding or representing by proxy one-third of the capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled on a poll to one vote for every such share held by him.

Rights of shareholders may be altered

GENERAL MEETINGS.

56. A General Meeting shall be held in every calendar year, at such time and place as may be determined by the Directors, and not more than fifteen months shall be allowed to elapse between any two such General Meetings.

General Meetings

57. The above-mentioned General Meetings shall be called Annual General Meetings. All other General Meetings shall be called Extraordinary Meetings.

Annual General and Extraordinary Meetings

58. The Directors may call an Extraordinary Meeting whenever they think fit, and Extraordinary Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by section 132 of the Act.

Extraordinary Meetings

59. Twenty-one clear days' notice at the least of every Annual General Meeting, and of every meeting convened to pass a Special Resolution, and fourteen clear days' notice at the least

Notice of meeting

at every other General Meeting specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices of General Meetings from the Company, but with the consent of all persons for the time being entitled as aforesaid or of such proportion thereof as is prescribed by section 133 (3) of the Act, a meeting may be convened upon a shorter notice, and in such manner as such persons may approve. The accidental omission to give such notice to, or the non-receipt of such notice by, any such person shall not invalidate any resolution passed or proceeding had at any such meeting. Every notice convening an Annual General Meeting of the Company shall describe the meeting as an Annual General Meeting and every notice of a General Meeting shall comply with any requirements of the Statutes as regards the notification to members of their rights as to the appointment of proxies.

PROCEEDINGS AT GENERAL MEETINGS.

Special business.

60. All business shall be deemed special that is transacted at an Extraordinary Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of sanctioning a dividend, the consideration of the accounts and balance sheets and the reports of the Directors and Auditors, and any other documents accompanying or annexed to the balance sheets, the election of Directors in place of those retiring by rotation and the fixing of the remuneration of the Auditors.

No business to be transacted unless quorum present.

61. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Three members personally present shall be a quorum for a General Meeting for the choice of a Chairman, the declaration of a dividend and the adjournment of the meeting. For all other purposes the quorum shall be members personally present, not being less than three, and holding or representing by proxy not less than one tenth part of the issued share capital of the Company.

How quorum to be ascertained

If quorum not present meeting adjourned or dissolved

62. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.

Chairman of Board to preside at all meetings

63. The Chairman (if any) of the Board of Directors shall preside at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose some member present to be Chairman of the meeting.

64. The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for twenty-four days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place

Notice of adjournment to be given

65. At all General Meetings a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded in writing by the Chairman or by at least three persons for the time being entitled to vote at the meeting, or by a member or members representing one-tenth of the total voting rights of all the members having the right to vote at the meeting, or by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right, and unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

How resolution decided

66. If a poll be demanded in manner aforesaid, it shall be taken at such time (within fourteen days) and place, and in such manner, as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Poll to be taken as Chairman shall direct

67. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.

No poll in certain cases

68. In the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a further or casting vote.

Chairman to have casting vote

69. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

Business to be continued if poll demanded

VOTES OF MEMBERS.

70. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, every member shall have one vote on a show of hands and in case of a poll shall have one vote for every share of which he is the holder.

Member to have one vote or one vote for every share

Votes of member
of unsound mind

71. If any member be of unsound mind or *non compos mentis*, he may vote by his committee, receiver, *curator bonis* or other legal curator, and such last-mentioned persons may give their votes either personally or by proxy.

Votes of joint
holders of shares

72. If two or more persons are jointly entitled to a share, then in voting upon any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share, and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

Only members
not indebted to
Company in respect
of shares entitled
to vote

73. Save as herein expressly provided, no member other than a member duly registered and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares, shall be entitled to vote on any question either personally or by proxy, or to be reckoned in a quorum, at any General Meeting.

How votes may be
given and who can
act as proxy

74. Votes may be given either personally or by proxy. On a show of hands a member (other than a corporation) present only by proxy shall have no vote, but a proxy for or representative of a corporation may vote on a show of hands. A proxy need not be a member.

Instrument
appointing proxy
to be in writing

75. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation under its common seal, if any, and, if none, then under the hand of some officer duly authorised in that behalf. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor.

Instrument
appointing a proxy
to be left at
Company's office

76. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a notarially certified copy thereof, shall be deposited at the office at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote; otherwise the person so named shall not be entitled to vote in respect thereof.

Form of proxy

77. Any instrument appointing a proxy shall be in the following form with such variations (if any) as circumstances may require or the Directors may approve:—

" MACHELL BROTHERS LIMITED.

" I,

" of

" MACHELL BROTHERS LIMITED, hereby appoint

" of

" to vote for me and on my behalf at the [Annual

" Extraordinary or Adjourned, as the case may be]

" General Meeting of the Company to be held

" on the day of and at

" every adjournment thereof.

" As witness my hand this day of 19 ."

DIRECTORS.

78. Until otherwise determined by a General Meeting, the number of Directors shall be not less than three nor more than seven.

Appointment and
number of
Directors

79. The Directors shall have power from time to time and at any time to appoint additional Directors, provided that the total number of Directors shall not exceed the prescribed maximum. A Director so appointed shall hold office only until the next Annual General Meeting, but shall be eligible for re-election at that meeting.

Power to add
to Directors

80. The qualification of a Director shall be the holding in his own right alone, and not jointly with any other person, of shares of the Company to the nominal value of £100, and this qualification shall be acquired within two months after appointment.

Director's
qualification

81. The qualification of a Managing Director shall be the holding in his own right alone, and not jointly with any other person, of shares in the Company to the nominal value of £500, and this qualification shall be acquired within two months after appointment.

Managing
Directors'
qualification

82. The remuneration of the Directors shall from time to time be determined by the Company in General Meeting, Unless otherwise directed by the resolution by which it is voted, any such remuneration shall be divided amongst the Directors as they may agree, or, failing agreement, equally.

Directors'
remuneration

83. The Directors shall be entitled to be repaid all travelling and hotel expenses incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to or from Board Meetings.

Directors' expenses

84. If by arrangement with the other Directors any Director shall perform or render any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration, and such special remuneration may be by way of salary, commission, participation in profits or otherwise as may be arranged.

Directors' special
remuneration

85. Subject as herein otherwise provided or to the terms of any lawful agreement, the office of a Director shall be vacated—

Office of Director
vacated in certain
cases

- (A) If a receiving order is made against him or he makes any arrangement or composition with his creditors.
- (B) If he becomes of unsound mind.
- (C) If he absents himself from the meetings of the Board during a continuous period of three months without special leave of absence from the Directors, and they pass a resolution that he has by reason of such absence vacated his office
- (D) If he is prohibited from being a Director by any order made under section 188 of the Act.

- (e) If by notice in writing given to the Company he resigns his office.
- (f) At the close of the Annual General Meeting next following his attainment of the age of seventy-five years.
- (g) If he is removed from office under section 184 of the Act.

A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and on such terms as to remuneration and otherwise as the Directors shall arrange.

MANAGING DIRECTORS.

Directors may
appoint Managing
Director

86. The Directors may from time to time appoint any one or more of their body to be Managing Director or Managing Directors, for such period and upon such terms as they think fit, and may vest in such Managing Director or Managing Directors such of the powers hereby vested in the Directors generally as they may think fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions, and generally upon such terms as to remuneration and otherwise as they may determine. The remuneration of a Managing Director may be made payable by way of salary or commission or participation in profits, or by any or all of those modes or otherwise as may be thought expedient, and it may be made a term of his appointment that he shall receive a pension, gratuity or other benefit on his retirement.

Special position of
Managing Director

87. A Managing Director shall not while he continues to hold that office be subject to retirement by rotation, and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire, but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he cease to hold the office of Director he shall *ipso facto* and immediately cease to be a Managing Director.

POWERS AND DUTIES OF DIRECTORS.

Business of
Company to be
managed by
Directors

88. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Directors'
borrowing power.

89. The Directors may borrow or raise from time to time for the purposes of the Company or secure the payment of such sums as they think fit, and may secure the repayment or payment of

any such sums by mortgage or charge upon all or any of the property or assets of the Company or by the issue of debentures (whether at par or at a discount or premium) or otherwise as they may think fit.

90. The continuing Directors may act at any time notwithstanding any vacancy in their body; provided always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body, or of summoning a General Meeting of the Company, but the continuing Directors may act notwithstanding any vacancies.

Continuing
Directors may act
to fill vacancies or
summon meetings

91. The Directors shall duly comply with the provisions of the Statutes, and particularly the provisions as to the keeping, presentation and circulation of accounts, registration and keeping copies of mortgages and charges, keeping a register of Directors' holdings of shares and debentures, keeping the register of members, keeping a register of Directors and Secretaries and entering all necessary particulars therein, and sending a copy thereof or a notification of any changes therein to the Registrar of Companies, and sending to such Registrar an annual return containing all such information and particulars and having annexed thereto all such documents as are required by the Statutes, together with the certificates required by section 128 of the Act, notices as to increase of capital, returns of allotments and contracts and other documents relating thereto, copies of resolutions and agreements, and other particulars connected with the above. The Directors may at any time require any person whose name is entered in the register of members to furnish them with any information, supported (if the Directors so require) by a statutory declaration, which they may consider necessary for the purpose of determining whether or not the Company is an exempt Private Company within the meaning of section 129 (4) of the Act.

Directors to comply
with the Statutes

92. A Director may contract with and be interested in any contract or proposed contract with the Company, and shall not be liable to account for any profit made by him by reason of any such contract, provided that the nature of the interest of the Director in any such contract must be declared at a meeting of the Directors as required by section 199 of the Act. No Director shall vote as a Director in respect of any contract or arrangement in which he shall be interested, but this prohibition shall not apply to any contract or arrangement for giving to a Director security for any advance made or guarantee given by him to or for the benefit of the Company, or to any contract or arrangement for or relating to any allotment or proposed allotment of shares or debentures to a Director, and it may at any time be suspended or relaxed by the Company in General Meeting.

Director may
contract with
Company

ROTATION OF DIRECTORS.

93. Subject to the provisions of these Articles, one of the Directors for the time being shall retire from office at each Annual General Meeting of the Company.

One of Directors
to retire at
Annual General
Meeting

Senior Director
to retire

94. The Director to retire shall be the Director who has been longest in office since the last election. As between Directors of equal seniority, the Directors to retire shall, in the absence of agreement, be selected from among them by lot. A retiring Director shall be eligible for re-election, and shall act as a Director throughout the meeting at which he retires.

Retiring Director
re-eligible

Office to be filled at
meeting at which
Director retires

95. Subject to any resolution reducing the number of Directors, the Company shall, at the meeting at which any Director shall retire in manner aforesaid, fill up the vacated office by electing a person thereto, and may, without notice in that behalf, fill up any other vacancies.

Members eligible
for office of Director
if prescribed notice
and consent lodged
at office

96. No person, not being a Director retiring at the meeting, shall, unless recommended by the Directors for election, be eligible for the office of Director at any General Meeting, unless, within the prescribed time before the day appointed for the meeting, there shall have been given to the Secretary notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing, signed by the person to be proposed, of his willingness to be elected. The prescribed time above mentioned shall be such that, between the date when the notice is served or deemed to be served and the day appointed for the meeting, there shall be not less than four nor more than twenty-eight intervening days.

If places not filled
up retiring
Directors deemed
re-elected

97. If at any meeting at which an election of Directors ought to take place, the place of any retiring Director is not filled up, such retiring Director shall, if willing to act, be deemed to have been re-elected, unless at such meeting it shall be determined to reduce the number of Directors or a resolution for the re-election of such retiring Director shall have been put to the meeting and not carried.

Number of Directors
may be increased
or reduced

98. The Company may from time to time in General Meeting increase or reduce the number of Directors, and determine in what rotation such increased or reduced number shall go out of office, and may make any appointments necessary for effecting any such increase as aforesaid; but this Article shall not be construed as authorising the removal of a Director otherwise than by Extraordinary Resolution or in accordance with the Statutes.

Casual vacancy in
Board to be filled
by Directors

99. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but any person so chosen shall retain his office only until the next following Annual General Meeting of the Company, but he shall be eligible for re-election at that meeting.

Ordinary Director
may be removed
by Extraordinary
Resolution

100. In addition and without prejudice to the provisions of section 184 of the Act the Company may by Extraordinary Resolution remove any ordinary Director before the expiration of his period of office, and may, if thought fit, by Ordinary Resolution appoint another ordinary Director in his stead; but the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected or appointed a Director.

101.
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PROCEEDINGS OF DIRECTORS.

101. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined, two shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.
102. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors.
103. The Directors may from time to time elect a Chairman, who shall preside at meetings of the Directors, and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting.
104. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.
105. A committee may elect a Chairman of its meetings. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.
106. A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
107. All acts bona fide done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
108. The Directors shall cause proper minutes to be made of all General Meetings of the Company and also of all appointments of officers, and of the proceedings of all meetings of Directors and committees, and of the attendances thereat, and all business transacted at such meetings; and any such minute of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated.
109. A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened, held and constituted.

Meeting of Directors

Quorum

Casting vote of Chairman

Director may call meeting of Board

Chairman of Directors

Power for Directors to appoint committees

Chairman of committees

Meetings of committees

All acts done by Directors to be valid

Minutes to be made and when signed by Chairman to be conclusive evidence

Resolution signed by Directors to be valid

THE SEAL.

Seal to be affixed
by authority of
resolution of Board
and in the presence
of two Directors
and Secretary

Foreign seal

110. Subject as provided in Article 11 as to certificates, the seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors, and in the presence of at least two Directors and of the Secretary, and such Directors and the Secretary shall sign every instrument to which the seal shall be affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Company such signatures shall be conclusive evidence of the fact that the seal has been properly affixed. The Company may exercise the powers of section 35 of the Act, and such powers are accordingly hereby vested in the Directors.

SECRETARY.

Secretary

111. The Secretary shall be appointed by the Directors, for such time, at such remuneration, and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The provisions of sections 177, 178 and 179 of the Act shall apply and be observed. The Directors may from time to time, if there is no Secretary or no Secretary capable of acting, by resolution appoint an assistant or deputy Secretary, to exercise the functions of the Secretary.

DIVIDENDS AND RESERVE FUND.

Application of
profits

112. Subject to any preferential or other special rights for the time being attached to any special class of shares, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the ordinary shares of the Company in proportion to the amounts paid up or credited as paid up thereon respectively, otherwise than in advance of calls.

Declaration of
dividends

113. The Directors may, with the sanction of a General Meeting, from time to time declare dividends, but no such dividend shall be payable except out of the profits of the Company. The Directors may, if they think fit, from time to time declare and pay to the members such interim dividends as appear to them to be justified by the position of the Company, and may also from time to time, if in their opinion such payment is so justified, pay any preferential dividends which by the terms of issue of any shares are made payable on fixed dates. No higher dividend shall be paid than is recommended by the Directors, and the declaration of the Directors as to the amount of the net profits shall be conclusive.

Directors may form
reserve fund and
invest

114. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper to a reserve fund or reserve account, which shall at the discretion of the Directors be applicable for meeting contingencies, or for repairing or maintaining any works connected with the business of the Company, or shall, with the sanction of the Company in General Meeting be, as to the whole or in part, applicable for equalising dividends, or for distribution by way of special dividend or bonus, or may be applied for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests

of the Company, and pending such application the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company or invest the same in such securities, other than the shares of the Company, as they may select. The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company.

115. Every dividend warrant may, unless otherwise directed, be sent by post to the last registered address of the member entitled thereto, and the receipt of the person whose name at the date of the declaration of the dividend appears on the register of members as the owner of any share, or, in the case of joint holders, of any one of such joint holders, shall be a good discharge to the Company for all payments made in respect of such share. No unpaid dividend or interest shall bear interest as against the Company.

Dividend warrants
to be sent to
members by post

Unpaid dividends
not to bear interest

CAPITALISATION OF RESERVES, ETC.

116. Subject to any necessary sanction or authority being obtained, the Company in General Meeting may at any time and from time to time pass a resolution that any sum not required for the payment or provision of any fixed preferential dividend, and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company, including premiums received on the issue of any shares or debentures of the Company, or (B) being undivided net profits in the hands of the Company, be capitalised, and that such sum be appropriated as capital to and amongst the ordinary shareholders in the proportions in which they would have been entitled thereto if the same had been distributed by way of dividend on the ordinary shares, and in such manner as the resolution may direct, and such resolution shall be effective; and the Directors shall in accordance with such resolution apply such sum in paying up in full any unissued shares or debentures of the Company on behalf of the ordinary shareholders aforesaid, and appropriate such shares or debentures and distribute the same credited as fully paid up to and amongst such shareholders in the proportions aforesaid in satisfaction of the shares and interests of such shareholders in the said capitalised sum or shall apply such sum or any part thereof on behalf of the shareholders aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued ordinary shares held by such shareholders. Where any difficulty arises in respect of any such distribution, the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid-up shares or debentures, make cash payments to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trusts for or for the benefit of the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite a proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with section 52 of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution and such appointment shall be effective.

ACCOUNTS.

Accounts to be kept

117. The Directors shall cause such accounts to be kept—

- (A) of the assets and liabilities of the Company,
- (B) of all sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place,

(c) of all sales and purchases of goods by the Company,

Where books may be kept

as are necessary to give a true and fair view of the Company's affairs and to explain its transactions. The books of account shall (subject to the provisions of section 147 of the Act) be kept at the office, or at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors.

Accounts and books may be inspected by members

118. The Directors shall from time to time determine whether, in any particular case or class of cases, or generally, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by statute or authorised by the Directors or by a resolution of the Company in General Meeting.

Profit and loss account to be made up and laid before Company
Balance sheet to be made out yearly

119. Once at least in every year the Directors shall lay before the Company in General Meeting a proper profit and loss account for the period since the preceding account. A proper balance sheet shall also be made out in every year as at the date to which the profit and loss account is made up, and shall be laid before the Company in General Meeting. The said account and balance sheet shall be accompanied by or have attached thereto such group accounts (if any), reports and documents and shall contain such particulars as are prescribed by the Act and are applicable to the Company, and the Directors shall in their report state the amount which they recommend to be paid by way of dividend, and the amount (if any) which they propose to carry to reserve and shall otherwise comply with the requirements of the Act. The Auditors' report shall comply with all the requirements of section 162 of the Act and shall be attached to the balance sheet and shall be read before the Company in General Meeting and be open to inspection by any member as required by that section. Copies of all such documents and any other documents required by law to be annexed thereto shall not less than twenty-one days before the date of the meeting before which they are to be laid be sent to all the members and to all holders of debentures of the Company as required by and subject to the provisions of the Statutes.

AUDIT.

Accounts to be audited

120. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors, and the provisions of sections 159 to 162 of the Act shall be observed.

NOTICES.

121. A notice or any other document may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register of members.

Service of notices
by Company

122. All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and any notice so given shall be sufficient notice to the holders of such share.

How joint holders
of shares may be
served

123. Any member described in the register of members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have served upon him at such address any notice to which he would be entitled under these Articles if his registered address was within the United Kingdom, but, save as aforesaid, only members described in the register of members by an address within the United Kingdom shall be entitled to receive any notice from the Company.

Members abroad
not entitled to
notices unless they
give address

124. A notice may be given by the Company to the persons entitled to any share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives or trustees of such deceased or bankrupt member, at the address (if any) in the United Kingdom supplied for the purpose by such persons as aforesaid, or (until such an address has been supplied) by giving the notice in the manner in which the same would have been given if the death or bankruptcy had not occurred.

Notices in case
of death or
bankruptcy

125. Any notice or other document, if served or sent by post, shall be deemed to have been served or delivered at the time when the letter containing the same is put into the post, and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter.

When service
effected

WINDING UP.

126. If the Company shall be wound up, the Liquidators may, with the sanction of an Extraordinary Resolution, divide among the members in specie any part of the assets of the Company and any such division may be otherwise than in accordance with the existing rights of the members, but so that if any division is resolved on otherwise than in accordance with such rights the members shall have the same right of dissent and consequential rights as if such resolution were a Special Resolution passed pursuant to section 287 of the Act. A Special Resolution sanctioning a transfer or sale to another company duly passed pursuant to the said section may in like manner authorise the distribution of any shares or other consideration receivable by the Liquidators amongst the members otherwise

Distribution of
assets in specie

than in accordance with their existing rights, and any such determination shall be binding upon all the members, subject to the right of dissent and consequential rights conferred by the said section.

Repayment to
members

127. Upon a winding up the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall first be applied in repaying to the members the amounts paid or credited as paid on the shares held by them respectively, and the balance (if any) shall be divided among the members in proportion to the number of shares held by them respectively: Provided always that the provisions hereof shall be subject to the rights of the holders of shares (if any) issued upon special conditions.

INDEMNITY.

128. Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in paragraph (B) of the proviso to section 205 of the Act), which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by the said section.

The Companies Act 1948.

COMPANY LIMITED BY SHARES.

Articles of Association

OF

MACHELL BROTHERS LIMITED

Incorporated the 11th day of APRIL 1996.