

Company No. 65025

COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

CONTACT 100 LIMITED (THE "COMPANY")


Dated 16 January 2004

We, the undersigned, being all the members of the above Company entitled to receive notice of, attend and vote at general meetings of the Company hereby, pursuant to section 381A of the Companies Act 1985, AGREE AND RESOLVE THAT the following paragraphs be added to the Company's Articles of Association (so that they appear at the end of the current Articles of Association):


- "W. Unless and until the Company by Ordinary Resolution shall otherwise determine, the number of directors shall not be less than one. Regulation 64 of Table A ("**Table A**") in the Schedule to the Companies (Tables A to F) Regulations shall not apply to the Company and any other provision of these Articles imposing a minimum number of directors shall be modified and read subject to this Article W.
- X. Without prejudice to Article Y below, if and for so long as there is more than one director, the quorum for the transaction of business at meetings of the directors may be fixed by the directors and if not so fixed shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- Y. If and for so long as there is only one director, the quorum for the transaction of business at meetings of the directors shall be reduced to one and such sole director may act alone in exercising without limitation all the powers and authorities vested in the directors of the Company by these Articles and Table A. Regulations 89 and 90 of Table A shall not apply and any provision in these Articles which requires the quorum for the transaction of business at a meeting of directors to be more than one or which would otherwise prohibit a sole director from exercising any right or power vested in the directors as a whole shall be read as if such quorum was one and such prohibition did not apply in circumstances where (but only in such circumstances) the number of directors was reduced to one.



- Z. The above Articles W, X and Y shall apply notwithstanding any other provisions of these Articles of Association which are contrary to the terms of such Articles W, X and Y or which cover the same subject matter but in a different manner and which were subsisting or adopted prior to the adoption of the aforesaid Articles W, X and Y."


.....
for and on behalf of

AE Limited


.....
for and on behalf of

Leeds Piston Ring & Engineering
Co.Limited

COMPANY LIMITED BY SHARES

SUBSTITUTED

ARTICLES OF ASSOCIATION

OF

CONTACT 100 LIMITED

(Adopted by special resolution passed on 11 December 1989)

(Amended by Shareholders' Resolution dated

PRELIMINARY

1. Subject as hereinafter provided the regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company, save insofar as they are varied or excluded by or inconsistent with these Regulations.

SHARE CAPITAL

2. The share capital of the Company at the date of adoption of these Articles is £2,200,000 divided into 1,200,000 shares of 1p each, 30,000 6% cumulative preference shares of £1 each, 1,440,000 deferred shares of £1 each and 718,000 unclassified shares of £1 each.
3. Save as provided by contract or these Articles to the contrary, and subject to any direction of the Company by ordinary resolution, all unissued shares of the Company shall be at the disposal of the Directors, and they may allot, grant options over or otherwise deal with or dispose of the same to such persons, at such times, and generally on such terms as they think proper.
4. A Director need not hold any share qualifications but shall be entitled to receive notice of and to attend all general meetings of the Company.

POWERS AND DUTIES OF DIRECTORS

5. Notwithstanding anything in these Articles contained the Directors shall have no power to deal with any of the following matters or to transact any business relating thereto unless and until T&N PLC ("T&N") so long as it is the beneficial owner of not less than 75 per cent in nominal value of the issued Ordinary Shares of the Company shall have given its approval to the exercise by the Directors of the power of the Company in regard thereto such approval to be evidenced either by a copy of a resolution of or an extract from the minutes of a meeting of the Board of Directors of T&N certified by one of such Directors or by the Secretary of T&N or by a letter signed either by any two of such Directors or by any one Director and the Secretary:-

- (a) Any material change in the nature of the business carried on by the Company whether by the addition of a new type of business or the abandonment of any type of business carried on by the Company at the date of such

- (b) Appoint one of the Directors of the Company for the time being to be Chairman of the Company and one or more of the Directors of the Company for the time being to be Deputy Chairman, Chief Executive, Managing Director or Managing Directors of the Company or to hold such other office in the management of the business of the Company as it may decide and for such period as it shall think fit and (subject to the provisions of any agreement between him or them and the Company) remove him or them from office and appoint another or others in his or their place or places.
 - (c) Fix the remuneration and other terms and conditions of appointment of any Chairman, Deputy Chairman, Chief Executive, Managing Director or Director holding any other office in the management of the business of the Company and (subject to the provisions of any agreement between him or them and the Company) vary the same from time to time and so that any remuneration fixed under this paragraph may be made payable to such Director in addition to or in substitution for such ordinary remuneration (if any) as a Director as he may from time to time be entitled to receive and may without prejudice to the provisions of Regulation 7 be made payable by a lump sum or by way of bonus or commission on the profits or turnover of the Company or of any other company in which the Company is interested or other participation in any such profits or by any or all or partly by one and partly by another or others of those modes.
 - (d) Entrust and confer such of the powers exercisable under these Articles by the Directors (not being powers for the exercise of which any approval is required under Regulation 7) as it thinks fit to and upon any Chairman, Deputy Chairman, Chief Executive, Managing Director or Director holding any other office in the management of the business of the Company and determine the time, objects, purposes, terms, conditions and restrictions for, upon and subject to which such powers are conferred collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and from time to time revoke, alter or vary all or any of such powers.
- (2) A Chairman, Deputy Chairman, Chief Executive or Managing Director or a Director holding any other office in the management of the business of the Company shall (subject to the provisions of any agreement between him or them and the Company) be subject to the same provisions as to resignation and removal as the other Directors of the Company and shall ipso facto and immediately cease to be Chairman, Deputy Chairman, Chief Executive or Managing Director or to hold such office in the management of the business of the Company if he ceases to hold the office of Director from any cause.

- (b) Any sale or disposal or dealing with the undertaking property rights or assets of the Company or of any part thereof but so that this provision shall not apply to the ordinary trading transactions of the Company concerned with the purchase, manufacture or sale of the goods (or the raw materials or other components of which they are composed) which the Company produces manufactures or sells nor shall it apply to any sale disposal or dealing as aforesaid where the amount involved does not exceed in respect of any one transaction the sum of £250,000.
- (c) Any purchase or acquisition on capital account for a sum exceeding in the case of any one transaction £250,000 in principal amount other than any purchase or acquisition of raw materials or other goods required in connection with the manufacture or supply of the goods sold from time to time by the Company and which are not being purchased or acquired under a contract requiring approval under paragraph (d)
- (d) Any fusion, amalgamation, union of interests or working arrangements with any other party.
- (e) Any lending or borrowing of money, issue of securities or creation of any mortgage or charge of the Company.
- (f) The issue of unissued shares or making of calls on issues.
- (g) Allocations to reserves, payments or recommendations of dividend or other distributions of capital or profits, or amounts to be written off against profits or assets in respect of wear and tear and depreciation of plant and buildings.
- (h) The grant of a pension or a gratuity or a retirement benefit to any officer or employee of the Company or the establishment of a pension fund or life assurance scheme or any payment of the nature referred to in Section 312 of the Act.
- (i) Any refusal to register a proposed transfer of a share.

The monetary limits referred to in this Regulation may be changed by T&N from time to time by notice in writing to the Company signed either by any two Directors or by any one Director and the Secretary of T&N.

- 6. (1) So long as it shall own beneficially at least 75 per cent in nominal value of the issued Ordinary shares of the Company T&N may from time to time and at any time by notice in writing to the Company (signed either by any two Directors or by any one Director and the Secretary of T&N) effect any one of the following matters, that is to say:-
 - (a) Appoint any person as a Director of the Company either as an additional Director or to fill any vacancy, and remove from office any Director howsoever appointed.

7. Subject to Regulation 5:-

- (a) The Directors may procure the establishment and maintenance of or participate in or contribute to any non-contributory or contributory pension or superannuation funds or life assurance scheme for the benefit of and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons including Directors and other officers who are or shall have been at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or of the predecessors in business of the Company or of any such subsidiary company, or is allied to or associated with the Company and the wives, widows, families or dependants of any such persons.
- (b) The Directors may procure the establishment and subsidy of or subscription and support to any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or its members or of any such other company as aforesaid and payments for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibitions or for any public, general or useful object.
- (c) The Directors may procure any of the matters aforesaid to be done by the Company either alone or in conjunction with any such other company as aforesaid.

8. A Director may vote as a Director in regard to any contract or arrangement with the Company in which he is interested as a Director or shareholder of the Company or any subsidiary or holding company of the Company or any subsidiary of the Company's holding company or upon any matter arising thereout and if he shall so vote his vote shall be counted and he shall be counted in a quorum when any contract or arrangement in which he is interested is under consideration whether or not he would otherwise be disqualified from voting thereon; and Regulation 94 of Table A should be deemed to be modified accordingly.

APPOINTMENT AND RETIREMENT

9. Regulations 73 to 80 of Table A shall not apply.

PROCEEDING OF DIRECTORS

10. So long as T&N shall own beneficially at least 75 per cent in nominal value of the issued Ordinary shares of the Company Regulation 91 of Table A shall not apply.

MANAGING DIRECTOR

11. So long as T&N shall own beneficially at least 75 per cent in nominal value of the issued Ordinary shares of the Company Regulation 84 of Table A shall not apply.

SECRETARY

12. The Directors may also appoint an assistant secretary or assistant secretaries or a temporary substitute for the Secretary any of whom shall for all purposes of these Articles be deemed to be the Secretary. Any assistant Secretary or temporary substitute so appointed may be removed by the Directors.

INDEMNITIES

13. Regulation 118 of Table A shall not apply.

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 which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to 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 insofar as its provisions are not avoided by Section 310 of the Act.

NOTICES

14. In regulation 115 of Table A, the words "24 hours" shall be substituted for the words "48 hours".

- W. Unless and until the Company by Ordinary Resolution shall otherwise determine, the number of directors shall not be less than one. Regulation 64 of Table A ("**Table A**") in the Schedule to the Companies (Tables A to F) Regulations shall not apply to the Company and any other provision of these Articles imposing a minimum number of directors shall be modified and read subject to this Article W.
- X. Without prejudice to Article Y below, if and for so long as there is more than one director, the quorum for the transaction of business at meetings of the directors may be fixed by the directors and if not so fixed shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

- Y. If and for so long as there is only one director, the quorum for the transaction of business at meetings of the directors shall be reduced to one and such sole director may act alone in exercising without limitation all the powers and authorities vested in the directors of the Company by these Articles and Table A. Regulations 89 and 90 of Table A shall not apply and any provision in these Articles which requires the quorum for the transaction of business at a meeting of directors to be more than one or which would otherwise prohibit a sole director from exercising any right or power vested in the directors as a whole shall be read as if such quorum was one and such prohibition did not apply in circumstances where (but only in such circumstances) the number of directors was reduced to one.
- Z. The above Articles W, X and Y shall apply notwithstanding any other provisions of these Articles of Association which are contrary to the terms of such Articles W, X and Y or which cover the same subject matter but in a different manner and which were subsisting or adopted prior to the adoption of the aforesaid Articles W, X and Y.