

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ORDINARY AND SPECIAL RESOLUTIONS

of

BRUSH ELECTRICAL MACHINES LIMITED

At an Extraordinary General Meeting of the Company held at Falcon Works, Meadow Lane, Loughborough, LE11 1ZF on 28 June 2007 the following resolutions were passed as ordinary resolutions in the case of resolutions 1 and 2, and as a special resolution in the case of resolution 3 -

ORDINARY RESOLUTIONS

- 1 THAT the share capital of the Company be hereby increased from £1,000,000 to £1,000,002 by the creation of 1 A preference share of £1 00 and the creation of 1 B preference share of £1 00 both having the rights set out in the articles of association of the Company as altered by resolution 3 set out in the notice to this meeting
- 2 THAT, in substitution for any previous authority, the Directors be hereby generally and unconditionally authorised, in accordance with section 80 Companies Act 1985, to allot relevant securities (as defined in that section) up to a maximum aggregate nominal amount of relevant securities of £2 00 provided that this authority will expire on the date being five years from the date on which this resolution is passed, but the Company may before this authority expires make an offer or agreement which would or might require relevant securities to be allotted after this authority expires and the Directors may allot relevant securities pursuant to such offer or agreement as if this authority had not expired

SPECIAL RESOLUTION

- 3 THAT the articles of association produced to the Meeting and signed by the Chairman for identification purposes be hereby adopted as the new Articles of Association of the Company in substitution for all existing regulations



CHAIRMAN

SATURDAY



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20/10/2007

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COMPANIES HOUSE

Company No 00111849

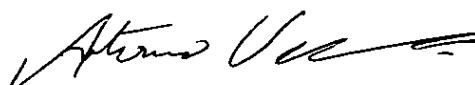
THE COMPANIES ACT 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

BRUSH ELECTRICAL MACHINES LIMITED
(Adopted by special resolution
passed on 28 June 2007)



CHAIRMAN
28/06/07

THE COMPANIES ACT 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

BRUSH ELECTRICAL MACHINES LIMITED
(the "Company")

**(Adopted by special resolution
passed on 2007)**

PRELIMINARY

- 1 1 The regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 (as amended) ("**Table A**") apply to the Company except to the extent that they are excluded or modified by these articles
- 1 2 The regulations of Table A numbered 8, 24, 38, 60, 61, 64, 73 to 78 inclusive, 80, 81, 90, 94 to 98 (inclusive), 115 and 118 do not apply. The regulations of Table A numbered 6, 37, 46, 53, 57, 59, 62, 65, 68, 72, 79, 101, 110, 112 and 116 are modified. Subject to these exclusions and modifications, and in addition to the remaining regulations of Table A, the following are the articles of association of the Company
- 1 3 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose

PRIVATE COMPANY

- 2 The Company is a private company limited by shares and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited

SHARE CAPITAL

- 3 The share capital of the Company as at the date of adoption of this Article is £1,000,002 divided into 1,000,000 ordinary shares of £1 each, 1 A preference share of £1 each and 1 B preference share of £1 each. The rights attaching to each class of share shall be as follows -

(a) **Income**

In respect of each financial year the profits of the Company for the time being available for distribution shall be applied first in paying to the holders of the A preference share and the B preference share, as if the same constituted a single class, a cumulative cash dividend which shall accrue from day to day at an annual rate equal to the base rate of Barclays Bank PLC in force from time to time on the amount paid up on each share (inclusive of any share premium) and be payable on the last day of such financial year, the first such payment to be made on 31 March 2008 in respect of the period from (and including) the date on which this article is adopted to (but excluding) 31 March 2008. Subject thereto, all dividends and other distributions shall be paid to the holders of the A ordinary preference share, the B preference share and the ordinary shares pro rata according to the nominal value thereof

(b) **Voting**

The holders of the A preference share and the B preference share shall be entitled to receive notice of and to attend all general and other meetings of the Company but shall not be entitled to vote thereat

(c) **Return of capital**

On a return of assets on liquidation, reduction of capital or otherwise the surplus assets of the Company remaining after payment of its debts and liabilities shall be applied

- (i) first in payment to the holders of the A preference share and the B preference share, as if the same constituted a single class, of an amount equal to the amount paid up thereon (including any premium) together with a sum equal to any arrears to accruals of the dividend payable thereon calculated down to the date of the return of capital,
- (ii) second in payment to the holders of the ordinary shares of an amount equal to the nominal value thereof, and
- (iii) third in payment of any surplus to the holders of the A preference share, the B preference share and the ordinary shares pro rata according to the nominal value thereof

SHARE CERTIFICATES

- 4 Every certificate shall either be sealed with a seal (if any) or be signed by a director and the secretary or by two directors, and the second sentence of regulation 6 of Table A shall be modified accordingly

LIEN

- 5 The Company shall have a first and paramount lien on every share, whether fully paid or not, registered in the name of any person, whether as sole or joint holder, indebted to the Company for all moneys due to the Company, whether in respect of that share or not. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to any amount payable in respect of it. The registration of a transfer of a share shall operate as a waiver of any lien of the Company thereon

TRANSFERS

- 6 The directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share to any person, whether or not it is a fully-paid share or a share on which the Company has a lien

GENERAL MEETINGS

- 7 Regulation 37 of Table A shall be modified by the deletion of the words "eight weeks" and the substitution for them of the words "28 days"

NOTICE OF GENERAL MEETINGS

- 8 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting, other than a meeting called for the passing of an elective resolution, may be called by shorter notice if it is so agreed -

8.1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat, and

8.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being (i) a majority together holding not less than such percentage in nominal value of the shares giving that right as has been determined by elective resolution of the members in accordance with the Act, or (ii) if no such elective resolution is in force, a majority together holding not less than 95 per cent in nominal value of the shares giving that right

PROCEEDINGS AT GENERAL MEETINGS

- 9 A poll may be demanded by the chairman or by any member present in person or by proxy and entitled to vote and regulation 46 of Table A is modified accordingly
- 10 Regulation 53 of Table A is modified by the addition at the end of the following sentence "If a resolution in writing is described as a special resolution or as an extraordinary resolution or as an elective resolution, it has effect accordingly "

VOTES OF MEMBERS

- 11 Regulation 57 of Table A is modified by the inclusion after the word "shall" of the phrase ", unless the directors otherwise determine "
- 12 Regulation 59 of Table A is modified by the addition at the end of the following sentence "Appointment of a proxy does not preclude a member from attending and voting at the meeting or at any adjournment of it "
- 13 The appointment of a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor
- 14 Regulation 62 of Table A shall be modified by the substitution in paragraph (a) of the words "at any time" in place of "not less than 48 hours" and by the substitution in paragraph (b) of the words "at any time" in place of "not less than 24 hours"

NUMBER OF DIRECTORS

- 15 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) is not subject to any maximum and the minimum number is one

ALTERNATE DIRECTORS

- 16 A director may appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director and such person need not be approved by resolution of the directors, and regulation 65 is modified accordingly
- 17 Regulation 68 of Table A is modified by the addition at the end of the following sentence "Any such notice may be left at or sent by post or facsimile transmission to the office or such other place as may be designated for the purpose by the directors "

DELEGATION OF DIRECTORS' POWERS

- 18 Regulation 72 is modified by the addition at the end of the regulation of the following sentence "Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee "

APPOINTMENT AND REMOVAL OF DIRECTORS

- 19 The directors are not subject to retirement by rotation Regulations 73, 74 and 75 of Table A do not apply, and reference in any other regulation to retirement by rotation shall be disregarded
- 20 The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director
- 21 A person appointed by the directors to fill a vacancy or as an additional director is not required to retire from office at the annual general meeting next following his appointment and the last two sentences of regulation 79 of Table A do not apply
- 22 No person is incapable of being appointed a director by reason of his having reached the age of 70 or another age No special notice is required in connection with the appointment or the approval of the appointment of such person No director is required to vacate his office at any time because he has reached the age of 70 or another age and section 293 of the Act does not apply to the Company
- 23 The holder or holders of not less than half in nominal value of the shares giving the right to attend and vote at general meetings of the Company may remove a director from office and appoint a person to be a director, but only if the appointment does not cause the number of directors to exceed a number fixed by or in accordance with the articles as the maximum number of directors The removal or appointment is effected by notice to the Company signed by or on behalf of the holder or holders The notice may consist of several documents in the like form each signed by or on behalf of one or more holders and shall be left at or sent by post or facsimile transmission to the office or such other place designated by the directors for the purpose The removal or appointment takes effect immediately on deposit of the notice in accordance with the articles or on such later date (if any) specified in the notice

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 24 The office of a director is vacated if -
- 24 1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director, or
- 24 2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or

- 24 3 he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director, or
- 24 4 he resigns his office by notice to the Company, or
- 24 5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and his alternate director (if any) shall not during such period have attended any such meetings instead of him, and the directors resolve that his office be vacated, or
- 24 6 he is removed from office by notice addressed to him at his last-known address and signed by a majority of his co-directors, or
- 24 7 he is removed from office by notice given by a member or members under Article 23 or pursuant to section 303 of the Act

REMUNERATION OF DIRECTORS

- 25 A director who, at the request of the directors, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the directors may decide

PROCEEDINGS OF DIRECTORS

- 26 A director or his alternate may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communications equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of directors is for the purposes of these articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is
- 27 If and for so long as there is a sole director, he may exercise all the powers conferred on the directors by these articles by resolution in writing signed by him, and regulations 88, 89, 91 and 93 of Table A and Article 26 do not apply. If and for so long as there is a sole director, regulation 92 of Table A shall be deleted in its entirety and the following shall be substituted therefor: "All acts done by a sole director or by a person acting as a sole director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of such director or that such director was disqualified from holding office, or had vacated office, or was not entitled to vote, be as valid as if such director had been duly appointed and was qualified and had continued to be a director and had been entitled to vote."
- 28 Without prejudice to the obligation of any director to disclose his interest in accordance with section 317 of the Act, a director may 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. The director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted

THE SEAL

- 29 In the first sentence of regulation 101 of Table A the words "The seal" shall be deleted and the words "Any seal adopted by the Company" shall be substituted therefor

DIVIDENDS

- 30 The directors may deduct from a dividend or other amounts payable to a person in respect of a share any amounts due from him to the Company on account of a call or otherwise in relation to a share

CAPITALISATION OF PROFITS

- 31 The directors may, with the authority of an ordinary resolution of the Company, resolve that any shares allotted under regulation 110 of Table A to any member in respect of a holding by him of any partly-paid shares rank for dividend, so long as such shares remain partly paid, only to the extent that such partly-paid shares rank for dividend and regulation 110 of Table A is modified accordingly

NOTICES

- 32 Regulation 112 of Table A is modified by the deletion of the third sentence and the substitution for it of the following "A member whose registered address is not within the United Kingdom is entitled to have notices given to him at that address "

- 33 A notice sent to a member (or another person entitled to receive notices under the articles) by post to an address within the United Kingdom is deemed to be given -

33 1 24 hours after posting, if pre-paid as first class, or

33 2 48 hours after posting, if pre-paid as second class

A notice sent to a member (or other person entitled to receive notices under these articles) by post to an address outside the United Kingdom is deemed to be given 72 hours after posting, if pre-paid as airmail

Proof that an envelope containing any notice was properly addressed, pre-paid and posted is conclusive evidence that the notice was given A notice not sent by post but left at a member's registered address is deemed to have been given on the day it was left

- 34 A notice sent to a member (or another person entitled to receive notices under the articles) by using electronic communications is deemed to be given at the expiration of 24 hours after the time it was sent

Proof that any notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given

- 35 Regulation 116 of Table A is modified by the deletion of the words "within the United Kingdom"

INDEMNITY

- 36 Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, every officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the execution of his duties or the exercise of his powers, authorities and discretions including (without prejudice to the generality of the foregoing) a liability incurred -

- 36 1 defending 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 a finding or admission of material breach of duty on his part, or
- 36 2 in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company
- 37 The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirement benefits scheme or another trust in which an officer or employee or former officer or employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company. No director or former director shall be accountable to the Company or its members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company